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**Market Research Division
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**Women's Inner Fashions:
Nightwear, Daywear,
Loungewear**

FAIRCHILD FACT FILE

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WOMEN'S INNER FASHIONS: NIGHTWEAR, DAYWEAR AND LOUNGEWEAR

Market Trends

Leading innerwear firms are predicting modest growth in dollar volume for their industry in 1987 -- an industry that has experienced a no-growth situation for a number of years. An analysis by Kurt Salmon Associates reports that consumer purchases, in units, of daywear, bras and sleepwear will be flat or down for the year. While several firms performed well individually in 1986, as a whole business for most was flat or worse. Among factors cited by some company executives for their 1986 problems were unmanageable retail inventory levels, buyers placing orders late, lack of recognition at retail by store management, a less than favorable balance by some stores between branded goods and imports/private label goods, and year-round markdowns.

A key goal for the industry is to excite shoppers by something other than price. To this end, product innovations by manufacturers and improved service by retailers are becoming more prevalent. The \$1.6 billion bra business, for example, recently received a big boost with the introduction of the racer-back bra, whose straps meet in the center of the back rather than resting on the shoulder blades. It was brought out first by Vanity Fair, and other companies soon followed with their own versions. Developed initially in response to summer dresses that featured larger armholes, racer-back bras now represent as much as 15% of total bra sales. It has shown both manufacturers and retailers that consumers will respond to new items sold at regular price. Companies are now marketing this bra as one that provides comfort and fit throughout the year, not just as a seasonal product during summer.

Among other recent product offerings in foundations are "fitness" bras for women who are physically active, and those with a dressier look adorned with lots of lace and satin. In other intimate apparel classifications, longer lengths in petticoats and sleepwear are taking hold. There has been a major shift in fabric preference, from nylon to cotton, and a larger selection of colors. Today, department store panties selections are close to 50% cotton, up from about 20% a few years ago. Retailers report that they will be keying on cotton flounces, petticoats, crinolines, eyelets, and chambrays.

Also expected to receive greater emphasis in 1987 is lingerie for large sizes and for petites. In addition, there is a trend away from traditional loungewear and toward more contemporary leisurewear. The proliferation of working women and their interest in health and fitness has given a boost to the easy care, multi-purpose leisurewear market.

As a result of a number of retail consolidations, department and larger specialty stores have been leaning toward in-store boutique concepts for lingerie. This has favored manufacturers that have lines of complementary products. Wacoal, for example, has opened about 150 boutiques in department stores over the last four years. The company has trained staff that performs such customer services as providing sizing charts, determining body type, and helping to find the best fit. Several manufacturers have been following Wacoal's lead, including Warner's. It has been testing the idea of company-trained sales help in the lingerie department of Macy's and Bloomingdale's in New York, with an eye toward a nationwide program.

Further evidence of the growing popularity of lingerie boutiques is Victoria's Secret. When this intimate apparel retailer and mail order firm was acquired by The Limited in 1982, it had sales of just \$5 million. Today, Victoria's Secret has volume over \$100 million. It has grown to 165 locations around the country since the acquisition, including its Manhattan flagship store opened late last year. Victoria's Secret relies on fashion-forward merchandise that is affordable and styled for mass appeal and heavily staffed stores. In-store promotions on select merchandise generally last for one week at a time, designed to bring customers in on a regular basis, not just during major promotional campaigns.

AT THE MANUFACTURER LEVEL

GENERAL INDUSTRY STATISTICS

A complete census of all manufacturers in the U.S. that have one or more paid employees is compiled every five years by the U.S. Bureau of the Census. Results from the latest (1982), covering operations in the women's inner fashion industry, are covered below. In addition, comparable figures are reported from 1983 and 1985 Annual Surveys of Manufactures. The Census Bureau conducts annual surveys using a sample of manufacturers in order to develop estimates on key measurements of manufacturing activity during intercensal periods.

The number of manufacturing establishments in the industry has been declining for many years now. Industry shipments, in contrast, have generally been rising though they dipped in 1985. However, these prices are in current dollars, so inflation has to be one factor taken into account when making comparisons.

Women's, Misses', Children's & Infants' Underwear & Nightwear (SIC 2341*)

	1985	1984	1983	1982	% Change 1985/84
Number of companies	na	na	na	477	--
Number of establishments, total**	na	545	573	604	--
Number with 20 or more employees	na	59	408	422	--
Employees, total (thous.)	59.4	66.2	66.7	67.8	- 10.3%
Production workers (thous.)	51.7	56.9	57.2	57.4	- 9.1
Payroll (mil. \$)	\$ 658.7	\$ 700.2	\$ 677.4	\$ 640.8	- 5.9
Value added by manufacture# (mil. \$)	\$1,357.0	1,427.5	1,359.7	1,350.8	- 4.9
Value of industry shipments## (mil. \$)	\$2,715.2	2,827.1	2,734.9	2,602.4	- 4.0
Capital expenditures, new (mil. \$)	34.8	34.7	34.2	30.4	+ 0.3
Machinery and equipment (mil. \$)	na	na	na	21.0	--

Brassieres, Girdles & Allied Products (SIC 2342*)

	1985	1984	1983	1982	% Change 1985/84
Number of companies	na	na	na	134	--
Number of establishments, total**	na	136	138	151	--
Number with 20 or more employees	na	110	94	97	--
Employees, total (thous.)	13.9	13.8	13.7	13.8	+ 0.7%
Production workers (thous.)	10.9	11.3	11.1	11.3	- 3.5
Payroll (mil. \$)	\$ 169.5	\$ 163.6	\$ 151.1	\$ 142.3	+ 3.6
Value added by manufacture# (mil. \$)	402.1	459.7	434.4	370.8	- 12.5
Value of industry shipments## (mil. \$)	775.2	811.1	770.2	720.3	- 4.4
Capital expenditures, new (mil. \$)	12.3	8.1	4.8	7.5	+ 51.9
Machinery and equipment (mil. \$)	na	na	na	5.9	--

(continued)

GENERAL INDUSTRY STATISTICS

Knit Underwear Mills (SIC 2254*)

	1985	1984	1983	1982	% Change 1985/84
Number of companies	na	na	na	72	--
Number of establishments, total**	na	75	80	84	--
Number with 20 or more employees	na	60	59	61	--
Employees, total (thous.)	24.0	25.0	20.6	22.3	- 4.0%
Production workers (thous.)	21.6	22.1	18.2	20.0	- 2.3
Payroll (mil. \$)	\$ 301.8	\$ 302.2	\$ 226.4	\$ 232.3	- 0.1
Value added by manufacture# (mil. \$)	491.7	492.8	449.9	446.2	- 0.2
Value of industry shipments## (mil. \$)	1,136.2	1,010.7	824.3	829.9	+ 12.4
Capital expenditures, new (mil. \$)	22.7	24.1	11.6	9.3	- 5.8
Machinery and equipment (mil. \$)	na	na	na	7.4	--

Robes & Dressing Gowns (SIC 2384*)

	1985	1984	1983	1982	% Change 1985/84
Number of companies	na	na	na	128	--
Number of establishments, total**	na	102	109	135	--
Number with 20 or more employees	na	82	71	83	--
Employees, total (thous.)	8.6	8.8	8.1	9.3	- 2.3%
Production workers (thous.)	6.9	7.3	6.7	8.1	- 5.5
Payroll (mil. \$)	\$ 83.5	\$ 91.1	\$ 85.1	\$ 88.0	- 8.3
Value added by manufacture# (mil. \$)	185.8	199.9	163.4	193.1	- 7.1
Value of industry shipments## (mil. \$)	386.8	407.0	381.4	403.6	- 5.0
Capital expenditures, new (mil. \$)	2.4	2.1	2.8	3.9	+ 14.3
Machinery and equipment (mil. \$)	na	na	na	2.6	--

na not available

* Manufacturers are classified by industry under the Standard Industrial Classification System (SIC) determined by the principal product made as shown below:

SIC 2341 - This industry comprises establishments primarily engaged in manufacturing women's, misses', children's and infants' underwear and nightwear cut and sewed from purchased woven or knit fabric.

SIC 2342 - This industry comprises establishments primarily engaged in manufacturing brassieres, girdles, corsets, corset accessories, and allied garments.

(footnotes continued)

GENERAL INDUSTRY STATISTICS

SIC 2254 - This industry comprises establishments primarily engaged in knitting underwear and nightwear from yarn or in manufacturing underwear and nightwear from knit fabric produced in the same establishments. Industry figures include underwear and nightwear for both men and women as well as for children and infants.

SIC 2384 - This industry comprises establishments primarily engaged in manufacturing men's and women's robes and dressing gowns.

- ** Covers manufacturing establishments only, and each location is separately counted. Not included are separate auxiliary locations serving the plants (i.e. administrative offices, purchasing offices, sales promotion offices, etc.).
- # Value added by manufacture is derived by subtracting the cost of products bought for resale without further manufacture, the cost of piece goods and other materials, contract work, etc., from the value of shipments, with adjustments for finished products inventories. It avoids the duplication in value of production which results from the use of products of some manufacturing establishments as materials by others, and is for most purposes the best value measure of individual industries.
- ## Value of industry shipments represents the net selling values, f.o.b. plant, after discounts and allowances, and excluding freight charges and excise taxes. This value includes both products described as primary to the industry and secondary products and miscellaneous receipts (including receipts for contract work and resales). (For value of product shipments, only, including shipments by all producers, see page 14.

Source: U.S. Bureau of the Census,
1985, 1984, 1983 Annual Survey of Manufactures,
1982 Census of Manufactures
1984 County Business Patterns.

Apparent Consumption

Apparent consumption is defined as domestic shipments plus imports minus exports. There was little change in U.S. apparent consumption of women's & children's underwear, pajamas and girdles from 1984 to 1985. However, apparent consumption of brassieres, bralettes, and bandeaux was up 21.4% in quantity and 10.1% in value over the period.

U.S. Apparent Consumption of Women's & Children's Underwear, Nightwear & Foundations: 1985

	Quantity (Thous. Dozen)			Apparent Consumption
	Shipments	Exports	Imports	
Women's, girls' & infants':				
Underwear	59,213	2,938	15,412	73,382
Pajamas	17,954	534	2,920	20,357
Brassieres, bralettes, and bandeaux	16,267	10,912	14,084	23,043
Girdles, corsets, and combinations	2,881	1,117	1,388	3,977

(continued)

GENERAL INDUSTRY STATISTICS

Apparent Consumption (continued)

U.S. Apparent Consumption of Women's & Children's Underwear, Nightwear & Foundations: 1985 (continued)

	Value (Mil. \$)			Apparent Consumption
	Shipments	Exports*	Imports**	
Women's, girls' & infants':				
Underwear	\$ 987.0	\$ 17.5	\$ 142.3	\$ 1,111.8
Pajamas	1,208.4	9.7	157.2	1,355.9
Brassieres, bralettes, and bandeaux	766.6	72.0	268.7	963.8
Girdles, corsets, and combinations	189.8	6.3	31.4	214.9

* Estimated producers' value, which excludes freight, insurance and other charges incurred in moving goods to the port of export.

** C.I.F. value at first port of entry in the U.S. plus import duties.

Source: U.S. Bureau of the Census,
Current Industrial Reports, MA23G(85)-1

Employment & Earnings

The number of workers in the women's inner fashion industry slid in 1985 as fewer companies were in operation. The number of manufacturing establishments has been declining steadily for a number of years (see pages 2-3). In 1977, there were 698 plants producing women's & children's underwear and nightwear, while 180 produced brassieres and girdles. By 1984, there were only 545 and 136, respectively. The number of knit underwear mills declined from 92 to 75 over this period.

Earnings of production workers rose moderately in 1985 but below the increases attained in prior years. (These figures are not directly comparable with Census Bureau data on employment due to a difference in the methodology used by the U.S. Bureau of Labor Statistics).

Employment & Earnings in Selected Women's Inner Fashion Industries

	October Averages			Annual Averages		
	1986	1985	% Change 1986/85	1985	1984	% Change 1985/84
Knit Underwear Mills:						
All employees (thous.)	23.8	24.3	- 2.1%	24.6	27.1	- 9.2%
Production workers (thous.)	19.9	20.2	- 1.5	20.7	23.3	-11.2
Average weekly earnings	\$238.17	\$218.66	+ 8.9	\$206.19	\$206.46	- 0.1
Average hourly earnings	\$ 5.91	\$ 5.80	+ 1.9	\$ 5.70	\$ 5.55	+ 2.7
Average weekly hours	40.3	37.7	+ 6.9	36.2	37.2	- 2.7

(continued)

GENERAL INDUSTRY STATISTICS

Employment & Earnings (continued)

Employment & Earnings in Selected Women's Inner Fashion Industries (continued)

	October Averages			Annual Averages		
	1986	1985	% Change 1986/85	1985	1984	% Change 1985/84
Women's & children's underwear:						
All employees (thous.)	62.2	63.0	- 1.3%	61.8	67.5	- 8.4%
Production workers (thous.)	53.2	54.3	- 2.0	53.1	58.2	- 8.8
Average weekly earnings	\$199.02	\$196.73	+ 1.2	\$190.11	\$183.26	+ 3.7
Average hourly earnings	\$ 5.21	\$ 5.15	+ 1.2	\$ 5.18	\$ 4.98	+ 4.0
Average weekly hours	38.2	38.2	--	36.7	36.8	- 0.3
Women's brassiers & allied garments:						
All employees (thous.)	15.0	15.2	- 1.3%	15.2	16.5	- 7.9%
Production workers (thous.)	11.2	11.3	- 0.9	11.4	12.3	- 7.3
Average weekly earnings	\$220.43	\$212.71	+ 3.6	\$210.50	\$204.05	+ 3.2
Average hourly earnings	\$ 6.14	\$ 6.13	+ 0.2	\$ 5.88	\$ 5.56	+ 5.8
Average weekly hours	35.9	34.7	+ 3.5	35.8	36.7	- 2.5

Source: U.S. Bureau of Labor Statistics,
Employment & Earnings

Industry Concentration

As part of the complete Census of Manufactures covering operations in 1982, the U.S. Census Bureau has compiled data on industry concentration levels. Many companies in the inner fashion industry have more than one plant and much of the industry activity is controlled by a relatively small number of companies. According to the census, 22.2% of companies in the women's & children's underwear industry had more than one plant. These plants accounted for more than 72% of the value of industry shipments. Likewise, 21.6% of the companies manufacturing brassieres and allied garments accounted for nearly 79% of industry shipments.

Single & Multiunit Companies' Share of Shipments, 1982

	Companies	Plants		Employees		Value of Industry Shipments	
		No.	%	Thous.	%	Thous. \$	%
Women's & children's underwear (SIC 2341)	477	604	100.0%	67.8	100.0%	\$2,602.4	100.0%
Multiunit companies	106	233	38.6	46.9	69.2	1,877.8	72.2
Single unit companies	371	371	61.4	20.9	30.8	724.6	27.8
Brassieres & allied garments (SIC 2342)	134	151	100.0	13.8	100.0	720.3	100.0
Multiunit companies	29	46	30.5	9.1	65.9	567.4	78.8
Single unit companies	105	105	69.5	4.8	34.1	152.9	21.2
Knit underwear mills (SIC 2254)	72	84	100.0	22.3	100.0	829.9	100.0
Multiunit companies	28	40	47.6	19.7	88.3	720.9	86.9
Single unit companies	44	44	52.4	2.6	11.7	109.0	13.1

Source: U.S. Bureau of the Census, 1982 Census of Manufactures
Type of Organization, Subject Series MC82-S-5

GENERAL INDUSTRY STATISTICS

Industry Concentration (continued)

Further data on industry concentration is contained in the Census Bureau's report on Concentration Ratios in Manufacturing. In 1982, the 20 largest brassiere producers accounted for 78% of industry shipments and the 50 largest accounted for 94%. In contrast, the 50 largest blouse producers that year -- part of an industry with a high number of small-sized manufacturers -- had 44% of all shipments.

Share of Value of Industry Shipments Accounted For By the Largest Companies

<u>Industry</u>	<u>No. of Companies</u>	<u>Total (mil. \$)</u>	<u>Value of Industry Shipments*</u> Percent accounted for by largest companies:			
			<u>4 largest</u>	<u>8 largest</u>	<u>20 largest</u>	<u>50 largest</u>
Brassieres and allied garments						
1982	134	\$ 720.3	35%	56%	78%	94%
1977	150	650.0	36	52	77	92
1972	220	647.0	31	45	67	86
Women's & children's underwear & nightwear						
1982	477	2,602.4	22	31	45	66
1977	548	1,780.8	22	29	43	64
1972	609	1,331.9	15	23	41	63
Knit underwear mills						
1982	72	829.9	46	65	90	99
1977	80	648.9	42	59	85	99
1972	74	544.6	46	61	85	98
Robes & dressing gowns						
1982	129	403.6	25	42	70	92
1977	137	388.3	25	44	69	90
1972	172	202.8	24	39	59	83

* For definition of terms, see page 4.

Source: U.S. Bureau of the Census,
1982 Census of Manufactures,
Concentration Ratios in Manufacturing (MC-82-S-7)

GENERAL INDUSTRY STATISTICS

Industry Concentration (continued)Concentration By Employment Size, 1982

	<u>Establishments</u>		<u>Value Added By</u>		<u>Industry</u>	
	<u>Number</u>	<u>%</u>	<u>(Mil. \$)</u>	<u>%</u>	<u>(Mil. \$)</u>	<u>%</u>
Women's and children's underwear and nightwear industry, U.S. total	604	100.0%	\$1,350.8	100.0%	\$2,602.4	100.0%
By establishment (plant) size:						
Under 20 employees	182	30.1	72.2	5.3	198.9	7.6
20 - 49 employees	112	18.5	90.5	6.7	215.7	8.3
50 - 99 employees	101	16.7	144.2	10.7	271.4	10.4
100 or more employees	209	34.6	1,043.9	77.3	1,916.4	73.6
Brassieres and allied garment industry, U.S. total	151	100.0	370.8	100.0	720.3	100.0
By establishment (plant) size:						
Under 20 employees	54	35.8	8.9	2.4	18.4	2.6
20 - 49 employees	29	19.2	24.6	6.6	48.6	6.7
50 - 99 employees	24	15.9	52.3	14.1	110.1	15.3
100 or more employees	44	29.1	285.0	76.9	543.2	75.4
Knit underwear industry, U.S. total	84	100.0	446.2	100.0	829.9	100.0
By establishment (plant) size:						
Under 20 employees	23	27.4	3.3	0.7	9.9	1.2
20 - 49 employees	12	14.3	10.1	2.3	19.1	2.3
50 - 99 employees	14	16.7	21.3	4.8	38.4	4.6
100 or more employees	35	41.7	411.5	92.2	762.5	91.9
Robes & dressing gown industry, U.S. total	135	100.0	193.1	100.0	403.6	100.0
By establishment (plant) size:						
Under 20 employees	52	38.5	12.8	6.6	33.0	8.2
20 - 49 employees	34	25.2	32.9	17.0	90.0	22.3
50 - 99 employees	20	14.8	27.2	14.1	60.5	15.0
100 or more employees	29	21.5	120.2	62.2	220.1	54.5

* For an explanation of terms, see page 4.

Source: U.S. Bureau of the Census,
1982 Census of Manufactures

GENERAL INDUSTRY STATISTICS

Leading StatesIndustry Statistics For Leading States, 1982

	<u>All Plants</u>		<u>Employees</u>		<u>Value Added By Manufacture*</u>	
	<u>Total</u>	<u>With 20+ Employees</u>	<u>No. (thous.)</u>	<u>% of Total</u>	<u>Mil. \$</u>	<u>% of Total</u>
Women's & children's underwear, U.S. total	604	422	67.8	100.0%	\$1,350.8	100.0%
Leading states:						
New York	188	84	6.2	9.1	224.7	16.6
Pennsylvania	67	60	7.6	11.2	123.5	9.1
Georgia	25	24	4.9	7.2	87.5	6.5
New Jersey	33	21	3.2	4.7	81.4	6.0
California	40	23	2.4	3.5	55.4	4.1
Brassieres and allied garments, U.S. total	151	97	13.8	100.0	370.8	100.0
Leading states:						
Georgia	7	6	1.7	12.3	87.9	23.7
New York	59	32	3.6	26.1	81.4	22.0
California	14	12	2.7	19.6	61.8	16.7
Pennsylvania	14	10	1.4	10.1	26.0	7.0
New Jersey	18	9	0.7	5.1	21.2	5.7
Knit underwear mills, U.S. total	84	61	22.3	100.0	446.2	100.0
Leading states:						
North Carolina	14	12	6.4	28.7	99.8	22.4
Pennsylvania	40	19	1.9	8.5	60.4	13.5
New York	15	8	1.0	0.4	34.1	7.6
Georgia	5	4	1.0	0.4	29.7	6.7
Robes & dressing gowns, U.S. total	135	83	9.3	100.0	193.1	100.0
Leading states:						
New York	56	28	1.9	20.4	67.0	34.7
South Carolina	7	7	1.3	14.0	30.7	15.9
California	15	7	0.8	8.6	18.4	9.5
Tennessee	5	4	0.7	7.5	7.2	3.7
Georgia	3	3	0.4	4.3	6.4	3.3

* For an explanation of this term, see page 4.

Source: U.S. Bureau of the Census,
1982 Census of Manufactures

PRODUCTION

Among the major classifications of women's innerwear and nightwear covered in Census Bureau reports, all registered declines in production by U.S. manufacturers in 1985 compared with 1984 with the exception of pajamas. Production of knit pajamas, in particular, rose in 1985, up 12.3% for the year. Separate bedjackets and peignoirs, in contrast, were down 21.6% in 1985, with both woven and knit production declining. The quantity of full-length slips produced also fell for the year, down 11.2%. Production was down in both woven and knit construction and in both cotton and man-made fabrics.

Production Quantity of Women's Innerwear & Nightwear By All U.S. Producers, 1984, 1985 (Thousands of dozens)

	1985	1984	% Change 1985/84
Women's, misses' & juniors':			
Full-length slips	2,542	2,862	- 11.2%
Half-slips, excluding pettipants	2,503	2,560	- 2.2
Panties, including pettipants	33,432	36,682	- 8.9
Union suits, camisoles, thermal underwear, etc.	2,699	2,932	- 7.9
Nightgowns & sleepcoats, excluding sets with robes	8,493	9,149	- 7.2
Pajamas, except sets with robes	1,383	1,335	+ 3.6
Peignoir & robe sets with nightgown or pajamas	1,001	1,081	- 7.4
Separate bedjackets & peignoirs, excluding lounge robes	105	134	- 21.6
Robes, dressing gowns, housecoats, etc.	2,470	2,655	- 7.0
Foundations	19,187	19,602	- 2.2

Source: U.S. Bureau of the Census, Current Industrial Reports,
Underwear & Nightwear MA23G(85)-1.

The detailed Current Industrial Reports issued by the Census Bureau on women's underwear and nightwear production in July 1986 include information on construction (woven vs. knit) and fabric type (cotton vs. man-made). The data are developed through a mail survey of all known U.S. manufacturers and jobbers with the exception of very small plants (generally less than five employees). Figures include garments assembled abroad and shipped back to U.S. cutters under the terms of item 807 of the Tariff Schedule.

Production of Reported Types of Women's Innerwear & Nightwear By Fabric & Construction, 1984, 1985 (Thousands of dozens)

	1985	1984	% Change 1985/84
Full length slips	2,542	2,862	- 11.2%
By construction:			
Woven fabric	528	531	- 0.6
Knit fabric	1,906	2,240	- 14.9
Fabric, n.s.k.	108	91	+ 18.7
By fabric:			
All cotton & chiefly cotton	84	97	- 13.4
All man-made & chiefly man-made	1,854	2,124	- 12.7
All other fabric	604	641	- 5.8
Fabric, n.s.k.			

(continued)

PRODUCTION

Production of Reported Types of Women's Innerwear & Nightwear By Fabric & Construction, 1984, 1985 (Thousands of dozens) (continued)

	1985	1984	% Change 1985/84
Half-slips, excluding pettipants	2,503	2,760	- 9.3%
By construction:			
Woven fabric	550	499	+ 10.2
Knit fabric	1,818	2,076	- 12.4
Construction, n.s.k.	135	185	- 27.0
By fabric:			
All cotton & chiefly cotton	80	66	+ 21.2
All man-made & chiefly man-made	2,329	2,501	- 6.9
Fabric, n.s.k.	94	193	- 51.3
Panties, including pettipants	33,432	36,682	- 8.9
By construction:			
Woven fabric	1,079	1,067	+ 1.1
Knit fabric	31,996	34,765	- 8.0
Construction, n.s.k.	357	850	- 58.0
By fabric:			
All cotton & chiefly cotton	10,438	9,898	+ 5.5
All man-made & chiefly man-made	21,931	25,405	- 13.7
All other fabric	1,063	1,379	- 22.9
Fabric, n.s.k. }			
Union suits, camisoles, thermal underwear, etc.	2,699	2,932	- 7.9
By construction:			
Woven fabric	139	75	+ 85.3
Knit fabric	2,355	2,517	- 6.4
Construction, n.s.k.	205	340	- 39.7
By fabric:			
All cotton & chiefly cotton	396	355	+ 11.5
All man-made & chiefly man-made	1,982	2,268	- 12.6
All other fabric	321	309	+ 3.9
Fabric, n.s.k. }			
Nightgowns & sleepcoats, excluding sets with robes	8,493	9,149	- 7.2
By construction:			
Woven fabric	3,176	3,727	- 14.8
Knit fabric	4,980	5,014	- 0.1
Construction, n.s.k.	283	408	- 30.6
By fabric:			
All cotton & chiefly cotton	1,680	1,852	- 9.3
All man-made & chiefly man-made	6,229	6,865	- 9.3
All other fabric	584	432	+ 35.1
Fabric, n.s.k. }			

(continued)

PRODUCTION

Production of Reported Types of Women's Innerwear & Nightwear
By Fabric & Construction, 1984, 1985
 (Thousands of dozens)
 (continued)

	<u>1985</u>	<u>1984</u>	<u>% Change</u> <u>1985/84</u>
Pajamas, except sets with robes	1,383	1,335	+ 3.6%
By construction:			
Woven fabric	387	455	- 14.9
Knit fabric	959	854	+ 12.3
Construction, n.s.k.	37	26	+ 42.3
By fabric:			
All cotton & chiefly cotton	175	168	+ 4.2
All man-made & chiefly man-made	1,132	1,112	+ 1.8
All other fabric }			
Fabric, n.s.k. }	76	55	+ 38.2
Peignoir & robe sets with nightgown or pajamas	1,001	1,081	- 7.4
By construction:			
Woven fabric	211	254	- 16.9
Knit fabric	706	730	- 3.3
Construction, n.s.k.	84	97	- 13.4
By fabric:			
All cotton & chiefly cotton	12	19	- 36.8
All man-made & chiefly man-made	898	952	- 5.7
All other fabric }			
Fabric, n.s.k. }	91	110	- 17.3
Separate bedjackets & peignoirs, excluding lounge robes	105	134	- 21.6
By construction:			
Woven fabric	54	65	- 16.9
Knit fabric	15	38	- 60.5
Construction, n.s.k.	36	31	+ 16.1
By fabric:			
All cotton & chiefly cotton	11	12	- 8.3
All man-made & chiefly man-made	65	91	- 28.6
All other fabric }			
Fabric, n.s.k. }	29	31	- 6.5
Robes, dressing gowns, housecoats, etc.	2,470	2,655	- 7.0
By construction:			
Woven fabric	1,392	1,395	- 0.2
Knit fabric	886	914	- 3.1
Construction, n.s.k.	192	346	- 44.5
By fabric:			
All cotton & chiefly cotton	322	325	- 0.9
All man-made & chiefly man-made	1,775	1,862	- 4.7
All other fabric }			
Fabric, n.s.k. }	373	468	- 20.3

(continued)

PRODUCTION

Production of Reported Types of Women's Innerwear & Nightwear By Fabric & Construction, 1984, 1985 (Thousands of dozens) (continued)

	1985	1984	% Change 1985/84
Foundations			
Brassieres, bralettes and bandeaux	16,267	16,438	- 1.0%
Corsets	12	18	-33.3
Girdles	2,400	2,383	+ 0.7
Combinations and one-piece garments	328	515	-36.3
Maternity foundation garments	111	129	-14.0
Garter belts	30	119	-74.8

n.s.k. not specified by kind

Source: U.S. Bureau of the Census, Current Industrial Reports
Women's & Children's Underwear and Nightwear MA23G(85)-1

Materials Consumed in Production

The amount of fiber consumed in U.S. production of women's & children's innerwear and nightwear rose nearly 7% in 1985 from 1984, led by an 8.0% gain in cotton usage. In the last few years, there has been a major industry-wide shift in fabric preference, from nylon to cotton. Cellulosic fiber consumption was down 20.9% for the year.

Despite a 5.1% dropoff in fiber consumption in the production of robes & loungewear, cotton usage was up. Consumption rose 11.3%, following a 6% increase the year before. Man-made fiber usage was down 7.8% for the year and 41.3% below its level of five years ago.

Consumption of Fibers in the Production of Women's & Children's Innerwear & Nightwear, 1983-1985

	<u>Millions of Pounds</u>			% Change
	1985	1984	1983	1985/84
Innerwear & nightwear, total*	189.0	176.8	196.6	+ 6.9%
Man-made fibers, total	139.5	130.7	153.0	+ 6.7
Cellulosic	6.8	8.6	12.5	-20.9
Non-cellulosic	132.7	122.1	140.5	+ 8.7
Cotton	48.7	45.1	42.6	+ 8.0
Wool	0.8	1.0	1.0	-20.0
Robes & loungewear, total**	93.5	98.5	92.5	- 5.1
Man-made fibers, total	73.4	79.6	74.8	- 7.8
Cellulosic	37.2	41.5	39.0	-10.4
Non-cellulosic	36.2	38.1	35.8	- 5.0
Cotton	17.8	16.0	15.1	+11.3
Wool	2.3	2.9	2.6	-20.7

(continued)

PRODUCTION

(footnotes from previous table)

* Includes full and half-slips, panties, pettipants, camisoles, vests, briefs and thermal underwear as well as nightgowns, sleep & lounging pajamas, sleep coats, peignoir & robe sets with nightgowns or pajamas, negligees and bed-jackets. Also includes bodywear and all children's and infants' underwear & nightwear. Excludes the trim, elastic webbing, apparel lace, braid or narrow fabric used in these products.

The bras and foundations include corsets, girdles, combinations, garter belts, hose supporters and maternity foundation garments.

**Includes men's and boys' beach and bath robes, dressing gowns and smoking jackets as well as women's beach and bath robes and housecoats.

Source: Textile Economics Bureau, Textile Organon, September 1986

PRODUCT SHIPMENTS

In contrast with "industry shipments" previously covered and defined on page 4, the value of product shipments covers the total value of shipments of specified items by all U.S. manufacturers, regardless of industry classifications based on primary products.

According to the 1985 Annual Survey of Manufactures, the total value of shipments of women's & children's underwear totaled \$2.5 billion that year, down 0.9% from 1984. These reports are conducted each year between censuses, the most recent which covered the year 1982.

Value of Shipments of Women's & Children's Inner Fashions By All U.S. Producers, 1983-1985

	Millions of Dollars			% Change 1985/84
	1985	1984	1983	
Women's & children's underwear and nightwear (SIC 2341)	\$2,502.6	\$2,525.3	\$2,507.7	- 0.9%
Underwear	990.1	961.5	833.9	+ 3.0
Nightwear	1,110.8	1,133.1	1,258.3	- 2.0
Commission work on underwear and nightwear	348.6	376.2	340.5	- 7.3
Underwear & nightwear n.s.k.	53.1	54.5	75.1	- 2.6
Brassieres and allied garments (SIC 2342)	713.8	715.3	740.7	- 0.2
Brassieres, bralettes and bandeaux	480.8	497.5	488.6	- 3.4
Corsets, girdles, combinations and accessories	133.8	141.3	193.7	- 5.3
Commission work on brassieres, corsets and allied garments	58.7	34.0	21.3	+72.6
Brassieres, corsets & allied garments n.s.k.	40.5	42.5	37.1	- 4.7
Robes and dressing gowns (SIC 2384)	421.2	443.6	432.1	- 5.0

n.s.k. not specified by kind

Source: U.S. Bureau of the Census,
1985 Annual Survey of Manufactures

PRODUCT SHIPMENTS

More detailed information on product shipments is contained in the Current Industrial Reports. These figures are developed through a mail survey of all known U.S. manufacturers and jobbers and include garments assembled abroad under the terms of item 807 of the Tariff Schedule.

Value of Shipments of Specified Women's & Children's Inner Fashion Classifications By All U.S. Producers, 1984-1985 (Millions of dollars)

	<u>Millions of Dollars</u>		<u>% Change</u>
	<u>1985</u>	<u>1984</u>	<u>1985/84</u>
INNERWEAR, NIGHTWEAR, ROBES (EXCLUDING FOUNDATIONS):			
Slips	\$ 262.2	\$ 286.2	- 8.4%
Full-length	153.9	169.2	- 9.0
Half-slips	108.3	117.0	- 7.4
Panties, including pettipants	455.7	468.9	- 2.8
Union suits, camisoles, thermal underwear, etc.	95.5	103.0	- 7.3
Nightwear, excluding robes, total	890.8	918.3	- 3.0
Nightgowns, sleepcoats, excluding sets with robes	663.1	687.6	- 3.6
Pajamas, except sets with robes	102.2	100.2	+ 2.0
Peignoir/robe sets with nightgown or pajamas	112.3	115.9	- 3.1
Separate bedjackets and peignoirs, excluding lounge robes	13.2	14.6	- 9.6
Robes, dressing gowns, housecoats, etc.	314.4	332.6	- 5.5
FOUNDATIONS:			
Brassieres	766.6	721.5	+ 6.3
Foundations, excluding maternity	179.9	168.5	+ 6.8
Maternity foundations garments	8.3	8.6	- 3.5
Garter belts	1.6	3.5	-54.3

Includes domestic and Puerto Rican shipments. The value of shipments by domestic producers in 1985 was reported as follows: brassieres, etc. \$467.0 million, foundations, \$133.8 million. In 1984, comparable figures were \$471.9 million and \$122.3 million, respectively.

Source: U.S. Bureau of the Census, Current Industrial Reports,
Underwear & Nightwear MA-23G(85)-1

Concentration of Product Shipments

As noted in the previous section, in recent years the industry has consolidated operations. The latest figures on the share of specific product shipments accounted for by the largest companies are for the year 1982, compiled in the complete Census of Manufactures done every five years. Later figures would undoubtedly show an even greater level of concentration by the largest companies.

PRODUCT SHIPMENTS

Concentration of Product Shipments

Share of Specified Women's Innerwear Product Shipments By The Largest U.S. Manufacturers, 1982

	Product Shipments (Mil. \$)	% of value accounted for by largest companies			
		Top 4	Top 8	Top 20	Top 50
Women's, children's & infants underwear*					
1982	\$ 832.7	23%	34%	56%	83%
1977	585.8	19	30	52	77
Women's, children's & infants nightwear*					
1982	1,136.0	18	27	49	77
1977	852.2	21	31	52	76
Brassieres, bralettes & bandeaux					
1982	450.8	40	62	90	100
1977	346.1	43	62	88	99+
Corsets, girdles, combinations & accessories					
1982	159.1	39	56	82	99+
1977	153.3	33	50	78	99
Women's & children's knit underwear from fabrics knit in the same establishment*					
1982	125.3	64	80	98	100
1977	95.4	51	73	94	100
Women's & children's knit nightwear from fabrics knit in the same establishment*					
1982	61.9	65	90	100	--
1977	50.0	66	91	100	--
Robes & dressing gowns, except children's					
1982	416.0	23	38	64	92
1977	243.3	27	44	70	94

* The total value of shipments and percents accounted for by largest companies are based exclusively on the products primary to this industry.

Source: U.S. Bureau of the Census, 1982 Census of Manufactures, Concentration Ratios in Manufacturing

Leading States

Value of Shipments By All Producers In Leading States, 1982 (Millions of Dollars)

	Value	%
Women's & children's underwear, U.S. total	\$831.0	100.0%
Leading states:		
New York	168.1	20.2
Georgia	88.6	10.7
North Carolina	76.7	9.2
Pennsylvania	74.2	8.9
New Jersey	63.0	7.6

(continued)

PRODUCT SHIPMENTS

Leading States (continued)

Value of Shipments By All Producers In Leading States, 1982 (Millions of Dollars) (continued)

	Value	%
Women's & children's nightwear, U.S. total	\$1,127.4	100.0%
Leading states:		
New York	278.7	24.7
North Carolina	166.8	14.8
Alabama	112.2	10.0
California	78.7	7.0
Pennsylvania	66.0	5.9
Brassieres, bralettes and bandeaux, U.S. total	450.8	100.0
Leading states:		
Georgia	117.3	26.0
New York	104.8	23.2
Corsets, girdles, combinations, and accessories, U.S. total	159.1	100.0
Leading states:		
New York	38.1	23.9
Pennsylvania	27.7	17.4

Source: U.S. Bureau of the Census,
1982 Census of Manufactures

PRODUCER PRICE TRENDS

Producer (factory) prices of women's innerwear and nightwear generally rose at a higher rate in 1985 than the 1.3% rise in prices averaged for all apparel products. Producer prices for girdles and corsets had the largest gain for the year, up 5.9%. Brassiere prices were up 3.9%. In contrast, prices for nightwear rose very little and, specifically children's nightwear actually declined in price for the year.

Producer Price Index For Selected Women's Innerwear & Nightwear Items

	October Averages			Annual Averages		
			% Change			% Change
	1986	1985	1986/85	1985	1984	1985/84
All apparel (12/77=100)	138.4	137.4	+ 0.7%	136.8	135.0	+1.3%
Women's and children's						
underwear & nightwear (6/82=100)	107.1	108.1	- 0.9	105.8	104.4	+1.3
Underwear	109.7	108.3	+ 1.3	108.3	105.8	+2.4
Women's underwear	108.9	107.3	+ 1.5	107.3	105.2	+2.0
Slips, half slips and petticoats	106.8	104.2	+ 2.5	104.5	102.2	+2.3
Panties	109.5	108.7	+ 0.7	108.6	106.8	+1.7
Children's underwear	112.7	112.7	--	112.4	108.3	+3.8
Panties	109.6	109.5	+ 0.1	109.5	106.0	+3.3

(continued)

PRODUCER PRICE TRENDS

Producer Price Index For Selected Women's Innerwear & Nightwear Items (continued)

	<u>October Averages</u>			<u>Annual Averages</u>		
	% Change			% Change		
	1986	1985	1986/85	1985	1984	1985/84
Nightwear	106.7	109.2	-2.3%	105.7	104.6	+1.1%
Women's nightwear	106.9	110.1	-2.9	106.0	104.5	+1.4
Nightgowns	108.3	107.8	+0.5	105.8	105.8	--
Children's nightwear	105.8	106.0	-0.2	104.7	105.2	-0.5
Pajamas	102.4	102.7	-0.3	100.9	101.8	-0.9
Brassieres and allied garments (6/82=100)	118.6	115.7	+2.5	114.2	109.0	+4.8
Brassieres	115.2	112.4	+2.5	111.2	107.0	+3.9
Girdles, corsets, combinations and accessories	125.5	122.0	+2.9	121.7	114.9	+5.9
Knit underwear and nightwear (6/82=100)	110.0	111.5	-1.3	110.1	106.1	+3.8
Women's and children's underwear	113.0	109.8	+2.9	109.9	106.7	+3.0
Women's and children's nightwear	111.7	111.6	--	111.5	111.2	+0.3

Source: U.S. Bureau of Labor Statistics

FOREIGN TRADE

Imports

Imports of Women's & Children's Innerwear & Nightwear, January - August 1986 and 1985 (Quantity in thousands of dozens)

	<u>January-August</u>		% Change 1986/1985
	1986	1985	
Brassieres, total	9,428.6	9,298.3	+ 1.4%
Cotton	517.8	564.4	- 8.3
Synthetic	8,910.7	8,733.8	+ 2.0
Girdles & corsets, total	703.9	847.6	- 17.0
Cotton	26.6	3.1	+758.1
Synthetic	677.4	844.5	- 19.8
Underwear, total	11,621.0	9,296.1	+ 25.0
Cotton	5,190.8	4,789.3	+ 8.4
Wool	16.2	13.9	+ 16.5
Synthetic	6,348.2	4,443.7	+ 42.9

(continued)

FOREIGN TRADE

Imports (continued)

Imports of Women's & Children's Innerwear & Nightwear,
January - August 1986 and 1985
 (Quantity in thousands of dozens)
 (continued)

	<u>January-August</u>		<u>% Change</u>
	<u>1986</u>	<u>1985</u>	<u>1986/1985</u>
Nightwear & pajamas, total	2,256.6	1,532.3	+ 47.3%
Cotton	1,116.9	841.6	+ 32.7
Synthetic	1,133.0	687.1	+ 64.9
Dressing gowns & robes, total	585.2	472.3	+ 23.9
Cotton	345.0	323.1	+ 6.8
Wool	1.5	2.6	- 42.3
Synthetic	229.6	140.5	+ 63.4

Note: Totals may include garments of silk and other fibers not shown separately.

Source: ILGWU based on U.S. Bureau of the Census reports

Imports of Women's & Children's Innerwear & Nightwear
By Leading Countries of Origin: 1984, 1985

	<u>Quantity</u>			<u>C.I.F. Value*</u>		
	<u>(Thousands of Dozens)</u>			<u>(Mil. \$)</u>		
	<u>1985</u>	<u>1984</u>	<u>% Change</u>	<u>1985</u>	<u>1984</u>	<u>% Change</u>
			<u>1985/84</u>			<u>1985/84</u>
Brassieres, total	14,083.8	12,673.3	+ 11.1%	\$204.5	\$179.9	+ 13.7%
Cotton	765.0	233.3	+227.9	16.5	3.9	+323.1
Barbados	397.9	61.0	+552.2	10.8	1.6	+575.0
China	119.5	24.8	+381.9	1.7	0.3	+466.7
Man-made fibers	13,287.4	12,420.9	+ 7.0	186.9	175.2	+ 6.7
Philippines	3,243.3	2,979.4	+ 8.9	38.7	34.6	+ 11.8
Costa Rica	1,676.2	1,879.0	- 10.8	23.1	25.6	- 9.8
All other materials	31.4	19.1	+ 64.4	1.1	0.8	+ 37.5
Barbados	10.2	nr	--	0.3	nr	--
Hong Kong	7.8	3.7	+110.8	0.2	0.1	+100.0
Corsets, garters & other body-supporting garments	1,377.6	1,147.7	+ 20.0	27.0	21.9	+ 23.3
Mexico	547.8	434.2	+ 26.2	10.0	8.5	+ 17.6
Haiti	206.0	64.1	+221.4	3.2	1.0	+220.0

(continued)

FOREIGN TRADE

Imports (continued)

Imports of Women's & Children's Innerwear & Nightwear
By Leading Countries of Origin: 1984, 1985
 (continued)

	Quantity (Thousands of Dozens)			C.I.F. Value*		
	1985	1984	% Change 1985/84	1985	1984	% Change 1985/84
Undergarments, nspf, of textile materials, total	18,443.7	15,463.0	+ 19.3%	\$240.7	\$187.4	+ 28.4%
Not knit	3,050.9	2,506.9	+ 21.7	114.8	94.3	+ 21.7
Hong Kong	840.7	677.3	+ 24.1	35.3	29.7	+ 18.9
China	384.8	322.6	+ 19.3	13.3	10.7	+ 24.3
Knit	15,392.8	12,956.1	+ 18.8	125.9	93.1	+ 35.2
Hong Kong	6,474.9	6,819.8	- 5.1	37.4	34.4	+ 8.7
China	2,544.1	1,347.7	+ 88.8	13.7	6.4	+114.1
Pajamas, cotton, not knit	615.3	466.8	+ 31.8	26.0	18.1	+ 43.6
Hong Kong	361.2	296.1	+ 22.0	15.5	11.6	+ 33.6
Haiti	63.8	25.9	+146.3	2.3	1.0	+130.0
Dressing gowns & robes not knit, total	595.0	494.6	+ 20.3	41.2	33.6	+ 22.6
Cotton	426.6	319.4	+ 33.6	27.9	21.9	+ 27.4
Hong Kong	85.1	65.3	+ 30.3	4.3	3.2	+ 34.4
China	50.9	42.1	+ 20.9	3.9	2.4	+ 62.5
Wool or man-made fiber	154.3	166.9	- 7.5	10.2	9.8	+ 4.1
Hong Kong	67.8	56.1	+ 20.9	4.2	3.1	+ 35.5
China	24.7	49.8	- 50.4	1.5	2.3	- 34.8
Silk	14.1	8.3	+ 69.9	3.1	1.9	+ 63.2
Hong Kong	7.4	5.6	+ 32.1	1.9	1.3	+ 46.2
China	3.3	0.6	+450.0	0.4	0.1	+300.0

nr not reported

nspf not specifically provided for (not classified)

- * The C.I.F. (cost, insurance, freight) value is based upon the purchase price and includes all freight, insurance and other charges (excluding U.S. import duties incurred in bringing the merchandise from the country of exportation and generally placing it alongside the carrier at the first port of entry in the U.S.)

Source: U.S. Bureau of the Census,
U.S. General Imports FT 135,
 December 1985, 1984.

FOREIGN TRADE

Exports

Innerwear exports fell significantly in 1985 from 1984, with the largest drop in exports of underwear. Both knit and non-knit underwear exports fell for the year, with a total decline in quantity of 41.5% and 24.5% in their value. Shipments of brassieres overseas also was well off their 1984 total, down 24.3% in quantity and 13.6% in value. In contrast, exports of pajamas and other nightwear rose in 1985 as did non-brassiere body-supporting garments.

U.S. Exports of Women's & Children's Innerwear & Nightwear: 1984, 1985

	Quantity (Thousands of Dozens)			Value* (Millions of \$)		
	1985	1984	% Change 1985/84	1985	1984	% Change 1985/84
Total, all reported categories	--	12,882.7	--	--	\$119.5	--
Brassieres, total	7,667.7	10,127.2	- 24.3%	\$71.9	83.2	-13.6%
Cotton	525.6	707.5	- 25.7	4.3	5.9	-27.1
Man-made fibers	6,236.0	8,290.3	- 24.8	56.1	65.6	-14.5
All other materials	906.1	1,129.4	- 19.8	11.5	11.7	- 1.7
Underwear, total	1,242.4	2,124.2	- 41.5	17.6	23.3	-24.5
Not knit	581.6	1,009.1	- 42.4	7.4	8.8	-15.9
Cotton	25.6	94.1	- 72.8	0.2	0.6	-66.7
Man-made fibers	85.6	172.8	- 50.5	1.6	1.7	- 5.9
All other materials	470.4	742.2	- 36.6	5.6	6.5	-13.8
Knit	660.8	1,115.1	- 40.7	10.2	14.5	-29.7
Cotton	258.0	415.7	- 37.9	2.3	3.4	-32.4
Man-made fibers	354.1	474.8	- 25.4	6.7	8.5	-21.2
All other materials	48.7	224.6	- 78.3	1.2	2.6	-53.8
Garters, garter belts & suspenders, total	110.5	117.8	- 6.2	1.4	0.8	+75.0
Body-supporting garments, except brassieres, total	292.1	165.2	+ 76.8	6.3	5.4	+16.7
Pajamas & other nightwear, total	336.9	262.0	+ 28.6	9.5	9.5	--
Not knit	165.7	148.4	+ 11.7	3.4	4.5	-24.4
Cotton	107.1	49.1	+118.1	2.5	1.8	+38.9
Man-made fibers	18.3	84.5	- 78.3	0.6	1.9	-68.4
Wool	1.8	4.8	- 62.5	0.1	0.3	-66.7
All other materials	38.5	10.0	+285.0	0.2	0.5	-60.0
Knit	171.2	113.6	+ 50.7	6.1	5.0	+22.0
Cotton	16.4	13.3	+ 23.3	0.6	0.6	--
Man-made fibers	104.8	80.3	+ 30.5	4.8	3.0	+60.0
Wool	1.0	4.2	- 76.2	0.03	0.2	-85.0
All other materials	49.0	29.1	+ 68.4	0.7	1.2	-41.7
Robes & dressing gowns, not knit, total	--	86.3	--	--	5.3	--
Cotton	na	39.3	--	na	1.8	--
Man-made fibers	21.3	46.3	- 54.0	2.4	3.4	-29.4
Wool	2.5	0.7	+257.1	0.09	0.05	+80.0

na not available

* The export value is based on the transaction price, including inland freight, insurance and other charges incurred in placing the merchandise alongside the carrier at the U.S. port of exportation. As defined, the value excludes the cost of loading the merchandise aboard the carrier and also excludes freight, insurance and other charges incurred beyond the port of exportation.

Source: U.S. Bureau of the Census,
U.S. General Exports FT 446 Annual 1985, 1984

AT THE RETAIL LEVEL

THE POTENTIAL MARKET

Over the next seven years, the nation's female population aged 16 years and over is projected to grow 5.6%, to 102.9 million according to the U.S. Census Bureau. From 1987 to 2005, a gain of about 16% has been projected, bringing the total to 113 million.

As the baby boom generation ages, women in the 35-54 year old age bracket will account for an increasingly larger share of the total female population. Women in this age bracket tend to be in the labor force and are at a point in their careers where earnings have increased significantly, and this is expected to have a favorable impact on upscale apparel, including innerwear.

Adult Female Population of the U.S., 1987 & Projections to 2005*
(In Millions)

	<u>Number (Thousands)</u>			<u>% Change</u> <u>2005/1987</u>	<u>Percent Distribution</u>		
	<u>1987</u>	<u>1994</u>	<u>2005</u>		<u>1987</u>	<u>1994</u>	<u>2005</u>
Total, all ages	124,774	132,251	141,381	+ 13.3%	100.0%	100.0%	100.0%
16 years & over	97,454	102,903	113,018	+ 16.0	78.1	77.9	80.0
16 - 19	7,233	6,426	7,707	+ 6.6	5.8	4.9	5.5
20 - 34	31,323	29,068	26,706	- 14.7	25.1	22.0	18.9
35 - 54	29,352	36,202	41,249	+ 40.5	23.5	27.4	29.2
55 - 64	11,591	11,002	15,399	+ 32.9	9.3	8.3	10.9
65 & over	17,955	20,205	21,957	+ 22.3	14.4	15.3	15.5
Median age (years)	33.3	35.6	39.2	+ 17.7	--	--	--

* Middle of a series of three different projections, each based on alternative assumptions for future fertility, mortality, and net immigration levels. Includes Armed Forces overseas.

Note: Columns may not add to totals shown due to rounding.

Source: U.S. Bureau of the Census, Current Population Reports
Series P-25, No. 952 (May 1984)

RETAIL SALES BY PRODUCT

Inner fashion purchases are projected to decline in 1987, following a down year in 1986, according to market data compiled for Kurt Salmon Associates by the National Panel Diary group. In contrast to a projected unit consumption gain of 3% for all women's wear categories, daywear purchases are expected to be flat from 1986 levels, while bra and sleepwear purchases should be down 2% and 3% respectively, for the year. Unit purchases for all three categories in 1986 were estimated to be down from 1985 levels, with bra consumption declining 6%.

RETAIL SALES BY PRODUCT

Year-to Year Changes in Purchases of Inner Fashions, 1983-1987 (Percent change in units)

	Projected 1987/1986	Estimated 1986/1985	<u>Actual</u>	
			1985/84	1984/83
Daywear	0	- 1.0%	- 4.0%	+ 9.0%
Bras	- 2.0%	- 6.0	- 3.0	- 1.0
Sleepwear	- 3.0	- 2.0	+ 3.0	- 6.0

Source: Kurt Salmon Associates/NPD Purchase Panel,
Soft Goods Outlook for 1987

Industry analysts estimate that actual sales of lingerie will reach \$6.5 billion in 1986. Bra sales are about \$1.6 billion.

(Note: Information on bodywear, which is sold primarily in hosiery departments, is contained in the Fairchild Fact File on Hosiery/Legwear.)

Modern Bride magazine has compiled estimates on the share of total sales of innerwear accounted for by the bridal market, including both gifts and items purchased by the newlyweds. It reports that bridal market sales of intimate apparel or lingerie was \$49.1 million in 1984, representing 1.4% of total retail sales. Bridal market sales of sleepwear that year was \$44.7 million, 2.1% of all sleepwear sales.

Intimate Apparel

In January and February 1986, a mail survey was conducted by the Fairchild Market Research Department for Women's Wear Daily among key department and apparel specialty stores to develop information on the merchandising of intimate apparel. According to store executives, merchandise managers and buyers surveyed, panties were the item registering the biggest gain in sales over the preceding twelve months in department stores, while sleepwear and the combined camisole/teddy category were pinpointed as the biggest gainers in specialty stores. (Foundations were not included in this survey; they were covered in a separate survey discussed on page 24).

Among other findings, few retailers felt that the use of designer names was very helpful in promoting sales of intimate apparel compared with brand names. Somewhat more specialty store respondents found them helpful than department store respondents. In general, respondents from both store types felt that the use of designer names in connection with intimate apparel is leveling off, rather than becoming more important. Brand loyalty appears to be quite high in both department and specialty stores in all types of intimate apparel with the exception of loungewear.

The criterion generally considered most important when evaluating brands in terms of operating results was the rate of sale. Gross margins ranked second, markdowns were third and sales per square foot was the lowest rated consideration.

Among department store respondents, 59% carried store brands in intimate apparel and 41% did not. Among specialty store respondents, store brands were carried by only 17%.

RETAIL SALES BY PRODUCT

Intimate Apparel (continued)

Fastest Growing Intimate Apparel Classifications* (Percent of Survey Respondents)

	<u>Apparel Specialty Stores</u>	<u>Department Stores</u>
Robes	10.9%	4.3%
Loungewear	17.4	8.5
Slips/Petticoats	13.0	12.8
Camisoles/Teddies	21.7	17.0
Sleepwear	21.7	27.7
Panties	15.2	44.7

Note: Columns may add to more than 100.0% due to multiple responses.

* The survey question read: Which intimate apparel category registered the biggest gain in sales share in the last twelve month? (asked January-February 1986)

Source: Fairchild Publications Market Research Department

Foundations

In May 1985, department store and apparel specialty store executives, merchandise managers and buyers participated in a nationwide survey covering foundation merchandising conducted by the Fairchild Market Research Department. Most retailers surveyed - 68% in department stores, 62% in specialty stores, responded that their three best-selling brands were the same as three years before. About 95% in both store types said their customers display strong loyalty to specific brands. The most commonly mentioned brands with strong customer loyalty were Bali and Playtex.

Among department store respondents, their three top-selling foundation brands accounted for an average of 70% of their total foundation sales. In specialty stores, the top three brands hold an average share of 72% of the total foundation business. Few retailers represented in the study carry private label or store brand foundations -- 14% among department stores and 12.5% among specialty stores.

On average, 39% of annual foundation sales in surveyed department stores are at sale price, 33% in specialty stores. Retailers in both store types reported that June, December and January were the months that accounted for the largest percentage of their sale priced business.

RETAIL SALES BY STORE TYPE

The latest official figures on sales of merchandise lines by type of retail outlet are from the 1982 Census of Retail Trade. The complete census is compiled by the U.S. Census Bureau every five years and covers all retailers with paid employees. Results of the next census, covering operations in 1987, will not be available until sometime after 1989.

In order to classify store types, information developed in published reports is more detailed for some outlet types than others. Sales of innerwear were covered for major outlet types; however, data is lacking for catalog sellers and miscellaneous outlets carrying innerwear.

RETAIL SALES BY STORE TYPE

Reported Sales of Women's Innerwear By Store Type: 1982

	<u>Stores Reporting Sales</u>		<u>Sales</u>	
	<u>Number**</u>	<u>% of Total</u>	<u>Mil. \$</u>	<u>% of Total</u>
Stores reporting on lingerie, sleepwear & loungewear, total	39,648	100.0%	\$3,206.4	100.0%
Department stores*	7,317	18.4	2,022.5	63.1
Women's ready-to-wear stores	21,234	53.5	673.8	21.0
Women's accessory and specialty stores	1,929	4.9	135.3	4.2
Family clothing stores	8,785	22.2	368.3	11.5
Children's wear stores	383	1.0	6.5	0.2
Stores reporting on bras, girdles & corsets, total	31,056	100.0	1,969.1	100.0
Department stores*	6,914	22.3	1,182.4	60.0
Women's ready-to-wear stores	14,395	46.4	384.7	19.5
Women's accessory and specialty stores	1,812	5.8	119.4	6.1
Family clothing stores	7,807	25.1	281.4	14.3
Children's wear stores	128	0.4	1.2	0.1

* Includes discount department stores as well as traditional department stores. Sales of catalog order desks within these stores are included in the department store data.

** Each business location is separately counted as a store unit, including each unit in a multi-unit organization.

Note: Leased departments are not included in sales data of the stores in which they are operated, but are counted as separate specialty stores.

Source: U.S. Bureau of the Census,
Census of Retail Trade, 1982
Merchandise Line Sales

Contribution of Women's Inner Fashion Sales to Total Women's Wear Sales In Major Retail Outlets, 1982

	<u>Total Women's Wear Sales (Mil. \$)</u>	<u>% of sales accounted for by:</u>	
		<u>Bras, Girdles, & Corsets</u>	<u>Lingerie, Sleepwear, & Loungewear</u>
Department stores*	\$19,182.9	6.2%	10.5%
Women's ready-to-wear stores	18,612.1	2.1	3.6
Family clothing stores	5,640.8	5.0	6.5
Women's accessory & specialty stores	1,624.5	7.4	8.3

* Includes discount department stores as well as traditional department stores. Sales of catalog order desks within these stores are included in the department store data.

Source: U.S. Bureau of the Census,
Census of Retail Trade, 1982
Merchandise Line Sales

RETAIL SALES BY STORE TYPE

Operating Results: Department and Specialty Stores

The National Retail Merchants Association (NRMA) compiles an annual report on operating results in department and specialty stores. The most recent figures cover typical (median) results based on stores' reports covering 1985.

Women's Inner Fashion Merchandising Results in Department Stores With Total Volume Over \$1 Million (Median Results)

	<u>Intimate Apparel</u> (86)‡	<u>Intimate Daywear</u> (85)‡	<u>Intimate Nightwear</u> (67)‡	<u>Robes & Loungewear</u> (73)‡
Net sales, % change from last year	+ 0.1%	- 0.1%	+ 3.8%	+ 2.3%
Sales, % to total store sales	5.4	3.3	1.4	0.7
\$ sales per square foot of selling space (main or largest selling unit)	\$132.0	\$146.2	\$144.1	\$114.7
Cumulative markon, %	52.5%	52.3%	53.2%	52.8%
Gross margin, % of sales (incl. cash discounts)	49.7	51.3	48.2	46.4
Advertising, % of net sales	2.4	2.6	2.5	3.3
Selling salaries, % of net sales	7.1	7.3	6.9	7.2
Number of stock turns (times)	2.8	2.4	3.6	3.8

Women's Inner Fashion Merchandising Results in Specialty Stores With Total Volume Over \$1 Million (Median Results)

	<u>Intimate Apparel</u> (14)‡	<u>Intimate Daywear</u> (12)‡
Net sales, % change from last year	- 0.5%	- 3.4%
Sales, % to total store sales	4.1	3.2
\$ sales per square foot of selling space (main or largest selling unit)	\$178.9	\$178.9
Cumulative markon, %	50.9%	50.9%
Gross margin, % of sales (incl. cash discounts)	44.3	48.2
Advertising, % of net sales	3.0	na
Selling salaries, % of net sales	9.4	na
Number of stock turns (times)	2.2	2.0

na not available

‡ Number in parenthesis refers to the number of reporting firms in each category

Source: National Retail Merchants Association,
Merchandising & Operating Results For 1985

RETAIL ADVERTISING

Newspaper advertising for bras and girdles is highest in March, May and December, according to data compiled by the Advertising Checking Bureau. May is the leading month, accounting for 12.7% of the annual total. The most advertising linage for lingerie, sleepwear and robes is run in May, November and December, with December the leading month by far (21.9% of the annual total).

Percent of Total Newspaper Advertising Linage Done By Month, 1985

	<u>Total</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>
Bras & Girdles	100.0%	7.5	7.6	11.8	7.2	12.7	8.5
Lingerie, Sleepwear & Robes	100.0%	3.8	5.9	6.6	7.8	16.5	5.1

	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>
Bras & Girdles	4.4	9.3	7.9	6.5	5.8	10.8
Lingerie, Sleepwear & Robes	3.8	5.9	5.9	6.2	10.6	21.9

Source: The Advertising Checking Bureau, 1985

Leading Advertisers

International Playtex is, by far, the leading purchaser of magazine advertising space for women's inner fashions, spending more than \$4.3 million from January 1 to August 31, 1986. According to the Publishers Information Bureau, the bulk of its expenditures were to advertise Playtex bras, with the balance going towards products from its Wow bra and panty lines. Total Playtex intimate wear ad spending, for all media, was \$15 million in 1985.

The next leading magazine advertiser during this period was Jockey International, spending about \$0.7 million in that media to promote its Jockey underwear for women. Other major expenditures were by Fruit of the Loom for its women's underwear line, Vanity Fair Mills for Vanity Fair bras and Lollipop panties and Maidenform for its bras, panties and lingerie.

CONSUMER PRICE TRENDS

Consumer prices for women's underwear, nightwear and hosiery rose a very slight 0.7% in November 1986 from the figure for the prior November. This increase is above the gain in prices for all apparel items, as prices for all women's & girls' apparel declined. Annual data for 1985 shows a 2.3% rise in women's underwear, nightwear and hosiery prices from 1984 totals. This increase was less than those for all apparel and all women's/girls' apparel for the period.

CONSUMER PRICE TRENDS

Consumer Price Index for Women's Inner Fashions 1984-1985 and November 1985, 1986 (1967=100, unless otherwise noted)

	<u>November Averages</u>			<u>Annual Averages</u>		
	<u>1986</u>	<u>1985</u>	<u>% Change</u> <u>1986/85</u>	<u>1985</u>	<u>1984</u>	<u>% Change</u> <u>1985/84</u>
All items	330.8	326.6	+ 1.3%	322.2	311.1	+ 3.6%
All apparel commodities	197.4	196.8	+ 0.3	191.6	187.0	+ 2.5
All women's and girls' apparel	175.0	176.5	- 0.8	169.5	163.6	+ 3.6
Women's underwear, nightwear, and hosiery (1977=100)	142.7	141.7	+ 0.7	140.5	137.4	+ 2.3

Source: U.S. Bureau of Labor Statistics

CONSUMER BUYING HABITS

MRCA Information Services has compiled information on patterns in purchases of women's inner fashions. The results are developed through purchase diaries maintained by members of a nationwide sample of 11,500 households and published by the Newspaper Advertising Bureau.

Findings show the seasonal pattern in purchases and the distribution of purchases by price.

Average Purchase Rate (In Units) For Women's Inner Fashions (Per 1,000 Households)

	<u>Average</u> <u>Month</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>April</u>	<u>May</u>	<u>June</u>
Bras	224.7	216.9	188.2	235.4	222.2	217.5	312.0
Panties	404.6	343.6	284.0	361.6	356.2	382.5	539.5
Girdles/Control garments	31.1	33.3	22.1	34.6	32.5	26.1	43.0
Slips & lingerie	100.3	104.3	81.3	85.7	84.0	90.0	100.6
Nightgowns & robes	166.2	125.2	105.9	126.9	91.7	159.5	173.8
	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	
Bras	210.0	274.4	255.1	179.0	150.2	235.4	
Panties	428.6	434.0	420.2	363.8	356.4	584.6	
Girdles/Control garments	32.3	26.6	32.9	23.7	29.7	35.9	
Slips & lingerie	78.2	65.5	97.9	83.6	115.1	217.0	
Nightgowns & robes	137.9	132.4	121.3	177.2	198.9	443.1	

Source: MRCA Information Services, 1984
1987 Newspaper Advertising Planbook
Newspaper Advertising Bureau

CONSUMER BUYING HABITS

Percent of Women's Inner Fashion Purchases (Units) By Price

	<u>Bras</u>	<u>Girdles</u>	<u>Slips</u>	<u>Robes/ Housecoats</u>	<u>Sleepwear</u>
Under \$5	44.4%	17.9%	16.5%	4.7%	13.1%
\$5.00 - \$9.99	33.8	38.2	46.1	21.7	41.6
\$10.00 - \$14.99	18.1	25.2	28.1	25.2	25.3
\$15.00 - \$24.99	3.5	15.2	8.3	32.5	16.3
\$25.00 - \$34.99	0.2	3.1	0.9	10.6	2.9
\$35.00 - \$49.99	--	0.2	--	3.7	0.7
\$50.00 & over	--	0.2	0.1	1.6	0.1

Source: MRCA Information Services, 1984
1987 Newspaper Advertising Planbook
 Newspaper Advertising Bureau

Teen Girls' Buying Habits

Seventeen Magazine, in its latest Spring Apparel Buying Study, projects that teen girls (high school and college age) nationwide spent \$1.1 billion on innerwear for their spring wardrobes in 1985. This represents 7.2% of their total apparel purchases.

Projected Purchases of Inner Fashions by Teenage Female Students, Spring 1985

	<u>Number Purchasing (Thous.)</u>	<u>Number Purchased (Thous.)</u>	<u>Total Expenditures (Mil. \$)</u>
FOUNDATIONS	10,023	31,128	\$298.7
Bras, Total			
Bandeau:			
- softcup	5,206	13,952	115.9
- light-padded	2,791	5,136	45.9
- underwire	1,902	4,299	52.1
Strapless/halter	3,566	3,887	44.1
One-size (stretch step-in)	863	1,641	12.8
Stretch coordinated sets (bra & brief)	788	2,213	27.9
Bodysuit-sized	476	567	10.5
One-size stretch	237	372	5.6
Girdles - Panty, brief	325	783	6.1
- Panty, short-leg	14	15	0.1
Tap pants	113	115	1.2
Total girls buying foundations	10,411	32,980	322.3

(continued)

CONSUMER BUYING HABITS

Teen Girls' Buying Habits (continued)

Projected Purchases of Inner Fashions by Teenage Female Students, Spring 1985 (continued)

	Number <u>Purchasing</u> (Thous.)	Number <u>Purchased</u> (Thous.)	Total <u>Expenditures</u> (Mil. \$)
<u>LINGERIE</u>			
Panties - bikini	8,734	53,365	\$169.2
- regular	1,740	6,421	26.6
- brief	1,628	7,425	26.4
Slips - short	3,191	4,883	51.0
- bra	1,114	2,497	30.6
- long	951	952	9.2
Half-slips - short	4,028	6,767	63.1
- long	976	978	9.3
Total girls buying lingerie	11,149	83,288	385.4
<u>SLEEPWEAR/LOUNGEWEAR</u>			
Nightgowns - long	3,103	4,779	102.7
- short	2,015	3,709	52.7
Nightshirts - short	3,103	5,835	70.6
- long	626	705	7.2
Pajamas - shortie	1,715	2,968	36.8
- full-length	863	941	14.1
Robes - long	2,740	2,743	81.9
- short	1,076	1,207	33.0
Long culottes/lounging pajamas/ at home dresses	250	328	8.2
Total girls buying sleepwear/loungewear	8,108	23,215	407.3
Total girls buying sleepwear	7,483	18,937	284.1
Total girls buying loungewear	3,716	4,278	123.1

Source: Seventeen Magazine,
Spring Apparel Study, 1985

SCHEDULE OF ADDITIONAL FACT FILES

THE CHILDREN'S MARKET: INFANTS', TODDLERS', GIRLS' AND BOYS' (APPAREL,

PLAYTHINGS & RELATED PRODUCTS: Includes a detailed statistical profile of the U.S. industry, i.e. number and size of manufacturers, production and shipments, employment trends and more. Also details imports and exports by product. At the retail level, this Fact File covers sales estimates, information on leading outlet types and on consumer price trends. The size of the growing potential market in terms of population counts and birth projections is outlined as well as consumer preferences and buying patterns in the consumer market.

CONSUMER MARKET DEVELOPMENTS: An overview of all facets of the consumer market. Within the framework of population and income groups, the markets for children's products, for young adults and for the mature are defined in terms of numbers and buying power. Trends and projections are included as well as an analysis of developments that are shaping the U.S. consumer market -- living arrangements, households, working women, marriage and birth rates, etc. Trends in personal consumption expenditures are also covered.

DEPARTMENT STORE AND SPECIALTY STORE SALES (1987 Edition): Updates information in the 1986 Edition on department and apparel specialty store sales (not including discount operation) for stores (buying headquarter locations) listed by state within the four major geographical regions of the U.S. Information on the number of stores in operation is included, as well as on plans to open stores, if available. Available data on sales of branch stores is included. Additional features include: An alphabetical listing of major national chains in the general merchandise and apparel store classifications with the latest available sales figures; a listing and sales figures for traditional department stores which have sales volumes published, or estimated, of \$50 million or more in 1986; a list of conglomerates operating traditional department and apparel stores, including the names and locations of these stores.

DRESSES & CAREER APPAREL (WOMEN'S, MISSES' AND JUNIORS'): At the manufacturer level, provides a statistical profile of the dress industry and the products made within this industry, including dresses, career apparel, pants dresses, ensembles, etc. Includes number and size of manufacturers, production and value of shipments, industry location and trends in employment levels. Analyzed is the growing impact of imports on total growth in the size of the consumer market, based on population counts, working women by type of occupation, and more.

FASHION ACCESSORIES (MEN'S AND WOMEN'S): Covers developments in the U.S. industry, in imports and in retail sales for fashion accessories, including small leather goods, handbags, millinery, scarves, gloves, belts, jewelry, sunglasses, watches, etc. to the extent that statistical information is available. Included are production and shipments by U.S. manufacturers plus the quantity and value of imports in recent periods. Retail sales and operating results in department and specialty stores are reported, as well as summaries of available studies on consumer buying preferences.

FOOTWEAR (MEN'S, WOMEN'S, BOYS', GIRLS') (1987 Edition): Updates the 1986 edition with figures on U.S. manufacturers production and shipments by type of footwear. Also detailed statistics on imports and their impact on total U.S. market supply. Analyses industry trends and performance of major resources and retailers. Spotlights developments in the athletic footwear industry and consumer market. At the retail level, information is included on sales trends and merchandising results for shoe stores and for footwear departments in department stores; as well as consumer purchase patterns.

HOME TEXTILES & RELATED PRODUCTS: Includes the latest statistics on the U.S. industry, including manufacturers wide variety of products -- bed linens, towels, blankets, comforters, slip covers, pillows, curtains/draperies and hardware, shades, and blinds. Covers the changing competitive nature of the industry through acquisitions of major producers and through consolidation of buying power at the retail level. Includes information on production, shipments and retail sales.

HOSIERY/LEGWEAR/BODYWEAR (MEN'S, WOMEN'S, BOYS', GIRLS'): A comprehensive report on mills making hosiery and related products, including production and shipments, fiber consumption, producer price trends. The growing trend in imports is also covered. At the consumer level, the size of the potential market is measured in terms of population counts and projections and estimates are included on retail sales of major products by type of retail outlet.

HOUSEHOLD APPLIANCES, ELECTRIC HOUSEWARES, HOME ENTERTAINMENT PRODUCTS: Covers a broad range of products included in these three classifications at the manufacturer and at the retail level. Provides a statistical profile of the U.S. industry in terms of number of manufacturers, production, shipments, exports. Imports are detailed, as well as information on export markets. Covers retail sales and merchandising results and information on appliance/radio/TV stores.

HOUSEHOLD FURNITURE AND BEDDING: Provides an overall view of market trends in the U.S. For the U.S. industry, the report covers statistics on manufacturers, on production and shipments in terms of quantity and value by type of furniture. Trends in the concentration levels in the U.S. industry are reported, as well as in employment and earnings in the industry. Also included is information on the industry in leading states. Consumer market information includes data on characteristics of new housing units (number of rooms); also trends in consumer expenditures for furniture, sales by type of outlet. Details on furniture stores, including the 25 leaders, are also covered.

MEN'S FURNISHINGS AND WORK/CAREER APPAREL: Provides a summary of major market trends in men's shirts, (dress and sport), underwear, nightwear, robes, hosiery and headwear, as well as the growing market for work/career apparel. These products are covered at the U.S. industry level, including production and shipments, employment trends and manufacturer concentration levels. Imports are detailed by product in terms of quantity and value, as well as exports. Data at the retail level includes sales and operating results in men's furnishings in department and specialty stores. The potential market for work/career apparel is defined in data on trends in employment of men by occupation.

MEN'S SPORTSWEAR, CASUALWEAR, OUTERWEAR: The wide variety of men's wear items included are covered from available statistical information on the industry at the manufacturer, retailer and consumer levels. Included is information on production and shipments by domestic producers, imports and exports. The retail market is covered in sales estimates and data on major outlet types, as well as studies of consumer buying practices.

MEN'S TAILORED CLOTHING/SEPARATES; RAINWEAR: Covers information on the fast-growing category, tailored (but unstructured) separates for men, as well as suits, jackets and coats made in the men's clothing industry, plus rainwear. U.S. industry data includes trends in the number of manufacturers, production and value of shipments, location of the industry and employment trends. Foreign trade is examined, including export and import developments. The U.S. consumer market is defined in terms of number in the population by age and by population groups. A look is taken at the Young Men's market and merchandising practices of stores to reach this market. Departmental merchandising and operating results in department stores and in men's wear stores are covered.

RETAILING/MERCHANDISING TRENDS: Covers the dramatic changes underway in the operations, of the large retailing organizations, such as the decentralization of operations beyond traditional geographic boundaries and diversification of operations to include store types differing from the primary business. Also covered are developments in brand name merchandising, store labels, designer labels, licensing and off-price retailing.

SALES OF MAJOR CLASSIFICATIONS OF CONSUMER GOODS BY RETAIL OUTLET TYPE:

Covers sales of grocery products, drugs, apparel, footwear, sporting goods, home furnishings and other product lines by major type of retail outlet. The sales are detailed, and trends analyzed on market shares held by major outlet types based on the latest complete Census of Retail Trade recently issued by the U.S. Census Bureau.

THE SPORTS/FITNESS/LEISURE MARKETS (A Fact File Special Edition): Covers details on U.S. manufacturers in the sporting goods/athletic goods industry, concentrating on products sold through retail outlets such as sporting goods stores and general merchandise stores, as well as functional athletic footwear and apparel. Includes quantity and value of shipments of specific products; concentration of shipments among leading manufacturers, and trends in producer prices. Imports of specified sporting and athletic goods are covered. At the consumer level, data includes statistics on sports participation levels and purchases of specific sports equipment. Also buying habits in relation to activewear and sports equipment.

SPORTSWEAR, CASUAL WEAR, SEPARATES AND JEANS (WOMEN'S, MISSES' AND JUNIORS'):

A statistical view of this segment of the women's wear industry is provided, including data on production and value of shipments, imports of major categories, sales by type of outlet, price points, seasonal patterns, and consumer buying habits.

A STATISTICAL ANALYSIS OF RETAILING (A Fact File Special Edition): A detailed statistical summary of retail trade in the U.S. based on findings in the 1982 Census of Retail Trade issued in 1985 by the U.S. Census Bureau. Percentage distributions have been calculated for firms and outlet types, including single and multi-unit operations, sales concentration and geographical distribution, with comparisons with 1977 census findings where possible.

TABLETOP & GIFTWARES: Statistics included for these industries include those on both the manufacturing and retailing levels. There's coverage of production and shipments; foreign trade; retail sales; plus data on the consumer market including buying habits and expenditures.

THE TEXTILE/APPAREL INDUSTRIES: Provides an overview of the U.S. textile and apparel industries, their current problems and programs to improve their competitive position in the U.S. market and abroad. Covers a statistical profile of each industry in terms of number of manufacturers, concentration levels, production and shipments, including exports. Trends in imports in terms of quantity and value are detailed. Also included is information on plant and equipment expenditures and on mill machinery in place in U.S. mills.

TOILETRIES, COSMETICS, FRAGRANCES AND BEAUTY AIDS: A detailed view of the U.S. industry, leading manufacturers, sales of products for both men and women, trends in industry employment and earnings, advertising expenditures, foreign trade. Consumer expenditures by product are detailed, as well as retail sales by outlet type, and consumer buying patterns and usage in regard to specific products.

WOMEN'S COATS, SUITS, RAINWEAR, AND FURS: Data from the domestic industry includes the number of manufacturers, industry concentration levels, trends in employment and earnings, production and value of shipments, including exports. Import trends and impact on U.S. market supply are analyzed. At the retail level, information includes consumer price trends, the size of the potential market and outlook for growth in terms of population by age group and employment trends among women. Also covers sales estimates and operating results in department and specialty store.

WOMEN'S INNER FASHIONS: NIGHTWEAR, DAYWEAR AND LOUNGEWEAR: An analysis of statistical information available on the industry and market, from manufacturer through to consumer. Includes the latest available data on U.S. production, shipments and exports; and details on imports. Retail sales and operating results in department and specialty stores are covered, as well as trends in producer and consumer prices. Developments in the size of the consumer market and trends in the market are summarized.

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Fashion Accessories (Men's and Women's)

FAIRCHILD FACT FILE

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FASHION ACCESSORIES

Market Trends

A resurgence in the accessory market began in 1984 and continued through 1986, according to industry analysts. While retail sales have increased in almost every category, the largest gains were reported in the hairgoods, neckwear and jewelry classifications. Following the Christmas 1986 selling season, which was above expectations, industry observers are confident of continued growth in 1987. Kurt Salmon Associates, a New York based consulting company, estimates that unit sales of accessories will increase 3% in 1987, overall.

The continuing upward curve in sales can be attributed to many factors, but among the key reasons are increased training of sales personnel by manufacturers, more aggressive merchandising techniques and campaigns to educate consumers on how to wear accessories.

A major change in merchandising has been the growth of open-sell -- putting merchandise on top of counters and in open fixtures rather than displaying in showcases. This technique fosters innovative display, overcomes the lack of sales help many retailers are experiencing, and encourages experimentation by customers. Accessories also provide a relatively inexpensive way to update wardrobes -- an important consideration for young consumers.

At the U.S. manufacturer level, however, imports are taking their toll. The International Trade Administration reports that the import-to-new supply ratio for luggage and personal leather goods reached 52.6% in 1986, while the same ratio for precious metal jewelry stood at 33.5%; for costume jewelry, 31.3%. Between 1979 and 1984, the compound annual growth rate for accessory imports was more than 10%. As the value of the U.S. dollar began to decline in 1986 making imports more expensive, the flow of foreign goods eased somewhat, although there was still growth in most categories.

Domestic manufacturers have been forced to consolidate operations in order to remain competitive with imports. Despite a falling U.S. dollar, imports in some categories remain strong. In precious metal jewelry, for example imports from Switzerland soared 45%, although the dollar depreciated 41% against Swiss currency. Imports from Italy were unchanged in 1986 despite a dive of 31% in the U.S. dollar against the Italian lira. Foreign manufacturers have responded to the lower value of the U.S. dollar by cutting their own profit margins in some cases in order to maintain market share, while some are moving manufacturing facilities to countries less severely affected by the fall of the dollar.

The major advantage domestic manufacturers retain over imported goods is the ability to fill orders quickly and to react faster to fashion changes in the market. With many retailers maintaining only minimum inventory levels in order to control costs, turn around time on reorders has become a major concern to buyers in selecting vendors. Many domestic vendors have also abandoned the low-end market and are concentrating on specialized, higher-priced merchandise.

The ITA has estimated the total value of industry shipments including major segments of the industry at \$6,674 million in 1986, 2.3% above the 1985 total. Over half (51%) of this total was accounted for by precious metal jewelry; costume jewelry, almost 20%.

According to the International Trade Administration, precious metal jewelry is expected to be the fastest growing accessory in 1987 in real terms. Luggage and leather gloves and mittens are expected to be the next fastest growing categories.

FASHION ACCESSORIES

Market Trends (continued)

Projected Real Growth of Selected Accessory Categories, 1987/1986 (Values in 1982 dollars)

	Value of Product Shipments % Change 1987/1986
Precious metal jewelry	+ 2.9%
Costume jewelry	+ 0.9
Leather gloves & mittens	+ 2.0
Luggage	+ 2.0
Handbags & purses	- 2.0

Source: U.S. Department of Commerce
1987 U.S. Industrial Outlook
International Trade Administration

An exact figure on the annual retail value of U.S. accessory market is not available. However, it is believed that sales in 1985 were between \$13 billion and \$14 billion, excluding jewelry.

Overall, the women's accessory market is benefiting from the trends in apparel towards understated, simple, conservative clothing which is easily ornamented. The most popular types of accessories in 1986 were classic patterns and restrained looks, according to industry analysts. The fastest growing categories in the women's accessory segment are hair ornaments (particularly bows) and neckwear. Scarves have been steadily growing over the last several years and buyers report open-to-buys in the category have increased significantly.

For men, suspenders (or braces) have quickly become a star performer and a fashion fad. This fad began in early 1986 and suspenders are selling well at all levels. Like neckwear, they come in enough unique fabrics and patterns to give a man means to express his personality. Growth in suspenders has come at the expense of belts; however, belt manufacturers report that exotic skin belts -- snake skin, to alligator and ostrich, are now helping to shore up the battered category.

In the small leather goods segment, the introduction of color and newness by new entrants into the category, such as Liz Claiborne, have turned the business into a year-round affair rather than a holiday/gift one. Many retailers report that new presentations of merchandise to customers have led to double-digit increase in the category. Color is believed to be the driving force behind the resurgence of gloves as a fashion item.

The jewelry industry is highly cyclical and affected by changes in disposable personal income and consumer sentiment. For three straight years, personal income has increased (1984-1986) and consumer sentiment as measured in the University of Michigan's consumer attitude index has remained relatively high. Industry analysts predict that the jewelry segment should show continued growth in 1987.

FASHION ACCESSORIES

Market Trends

Accessories cannot be defined in a single standard industry classification whose value or size is readily measured, due to the wide variety of products in the category. Some accessories, notably belts and trimmings, such as buckles and the like, are either sold to apparel manufacturers who use them as part of their finished garments or at retail, further complicating the retail sales estimates for accessories.

The distinction between items included in the men's furnishings category and in men's accessories is also subject to varying interpretations. Information on men's neckwear, hats and underwear is covered in detail in the Men's Furnishings & Work Wear Fact File and information on men's and women's hosiery is detailed in the Hosiery Legwear Fact File.

AT THE MANUFACTURER LEVEL

GENERAL INDUSTRY STATISTICS

A complete census of all manufacturers in the U.S. that have one or more paid employees is compiled every five years by the U.S. Bureau of the Census. Results from the latest, covering 1982 operations in major components of the accessory classifications, are covered below. Comparable figures are reported from the 1985 annual surveys of manufactures, conducted by the Census Bureau, using a sample of manufacturers in order to develop estimates on key measurements of manufacturing activity. These are done during intercensal periods.

The number of manufacturing establishments in the U.S. industry has been declining for many years. Industry shipments, have generally been rising; however, values are reported in current dollars and inflation has to be taken into account when making comparisons.

Industry Trends in Accessories Classifications, 1982, 1985

	<u>Costume Jewelry</u> (SIC 3961*)			<u>Precious Metal Jewelry</u> (SIC 3911*)		
	1985	1982	% Change 1985/1982	1985	1982	% Change 1985/1982
Number of companies	na	780	na	na	2,159	na
Number of establishments, total**	na	785	na	na	2,193	na
Number with 20 or more employees	na	186	na	na	387	na
Employees, total (thous.)	18.7	21.1	- 11.4	33.7	35.3	- 4.5
Production workers (thous.)	13.5	15.7	- 14.0	23.0	23.7	- 3.0
Payroll (mil. \$)	\$ 292.5	\$ 263.3	+ 11.1	\$ 579.7	\$535.8	+ 8.2
Value added by manufacture ## (mil. \$)	762.7	588.9	+ 29.5	1,318.8	1,278.8	+ 3.1
Value of industry shipments### (mil. \$)	1,265.0	1,027.1	+ 23.2	3,133.4	3,039.1	+ 3.1
Capital expenditures, new (mil. \$)	19.9	16.6	+ 19.9	26.1	33.4	- 21.9
Machinery & equipment (mil. \$)	na	12.7	na	na	28.4	na

(continued)

GENERAL INDUSTRY STATISTICS

Industry Trends in Accessories Classifications, 1982, 1985
(continued)

	<u>Watches, Clocks</u> (SIC 3873*)			<u>Apparel Belts</u> (SIC 2387*)		
	1985	1982	% Change 1985/1982	1985	1982	% Change 1985/1982
Number of companies	na	227	na	na	317	na
Number of establishments, total**	na	237	na	na	319	na
Number with 20 or more employees	na	87	na	na	143	na
Employees, total (thous.)	11.8	16.8	- 29.8	9.7	11.7	- 17.1
Production workers (thous.)	8.7	12.3	- 29.3	7.5	9.2	- 18.5
Payroll (mil. \$)	\$ 210.4	\$ 248.1	- 15.2	\$ 120.5	\$137.7	- 12.5
Value added by manufacture ## (mil. \$)	418.6	483.5	- 13.4	278.3	305.4	- 8.9
Value of industry shipments### (mil. \$)	912.1	1,187.6	- 23.2	504.9	556.5	- 9.3
Capital expenditures, new (mil. \$)	15.8	14.6	+ 8.2	2.2	8.3	- 73.5
Machinery & equipment (mil. \$)	na	11.6	na	na	3.9	na

	<u>Fabric Dress & Work Gloves</u> (SIC 2381*)			<u>Leather Gloves</u> (SIC 3151*)		
	1985	1982	% Change 1985/1982	1985	1982	% Change 1985/1982
Number of companies	na	78	na	na	80	na
Number of establishments, total**	na	102	na	na	96	na
Number with 20 or more employees	na	64	na	na	54	na
Employees, total (thous.)	6.6	6.8	- 2.9	3.5	3.9	- 10.3
Production workers (thous.)	6.7	6.1	—	3.1	3.3	- 6.1
Payroll (mil. \$)	\$ 58.5	\$ 51.2	+ 14.3	\$ 32.3	\$ 36.6	- 11.7
Value added by manufacture ## (mil. \$)	138.2	104.7	+ 32.0	65.5	72.5	- 9.7
Value of industry shipments### (mil. \$)	261.3	208.4	+ 25.4	177.6	177.6	—
Capital expenditures, new (mil. \$)	1.5	3.4	- 55.9	1.0	0.7	+ 42.9
Machinery & equipment (mil. \$)	na	1.5	na	na	0.5	na

	<u>Women's Handbags</u> (SIC 3171*)			<u>Small Leather Goods</u> (SIC 3172*)		
	1985	1982	% Change 1985/1982	1985	1982	% Change 1985/1982
Number of companies	na	383	na	na	239	na
Number of establishments, total**	na	393	na	na	243	na
Number with 20 or more employees	na	148	na	na	87	na
Employees, total (thous.)	10.8	15.4	- 29.9	7.6	9.9	- 23.2
Production workers (thous.)	8.6	13.2	- 34.8	6.2	7.3	- 15.1
Payroll (mil. \$)	\$ 124.6	\$ 158.5	- 21.4	\$ 109.9	\$112.6	- 2.4
Value added by manufacture ## (mil. \$)	278.2	320.4	- 13.2	231.2	243.6	- 5.1
Value of industry shipments### (mil. \$)	559.7	623.7	- 10.3	388.1	411.4	- 5.6
Capital expenditures, new (mil. \$)	4.6	5.6	- 17.9	5.4	3.2	- 68.8
Machinery & equipment (mil. \$)	na	4.2	na	na	3.0	na

(continued)

GENERAL INDUSTRY STATISTICS

Industry Trends in Accessories Classifications, 1982, 1985 (continued)

	<u>Luggage</u> (SIC 3161*)			<u>Millinery</u> (SIC 2351*)		
	1985	1982	% Change 1985/1982	1985	1982	% Change 1985/1982
Number of companies	na	287	na	na	105	na
Number of establishments, total**	na	292	na	na	105	na
Number with 20 or more employees	na	131	na	na	36	na
Employees, total (thous.)	13.1	16.0	- 18.1	2.2	2.5	- 12.0
Production workers (thous.)	9.8	12.5	- 21.6	1.9	2.2	- 13.6
Payroll (mil. \$)	\$ 189.5	\$ 193.8	- 2.2	\$ 24.4	\$ 24.5	- 0.4
Value added by manufacture ** (mil. \$)	371.9	432.8	- 14.1	42.7	40.6	+ 5.2
Value of industry shipments*** (mil. \$)	724.6	789.0	- 8.2	100.6	89.9	+ 11.9
Capital expenditures, new (mil. \$)	10.6	12.0	- 11.7	na	0.4	na
Machinery & equipment (mil. \$)	na	9.5	na	na	0.2	na

na not available

- * Manufacturers are classified by industry under the Standard Industrial Classification System (SIC), determined by the principal product made as shown below. In some cases (i.e. Watches, Clocks), non-accessory products are included in the classification.

SIC 3961 covers manufacturers specializing in the production of costume jewelry, costume novelties and ornaments made of all materials except precious metal, etc.

SIC 3911 covers manufacturers specializing in the production of jewelry and other articles worn on or carried about the person, made of precious metals with or without stones, including cigarette cases and lighters, vanity cases and compacts; trimmings for umbrellas and canes; and jewel settings and mountings.

SIC 3873 covers manufacturers specializing in the production of clocks, watches, watchcases, mechanisms for clockwork-operated devices and clock and watch parts, as well as establishments primarily engaged in assembling clocks and watches from purchased movements and cases.

SIC 2387 covers manufacturers specializing in the production of men's and women's apparel belts, regardless of material.

SIC 2381 covers manufacturers specializing in the production of dress, semi-dress and work gloves and mittens, cut and sewn from purchased woven or knit fabric, or these fabrics combined with leather or plastic.

(continued)

GENERAL INDUSTRY STATISTICS

SIC 3151 covers manufacturers specializing in the production of dress, semi-dress and work gloves exclusively of leather or leather with lining of other material.

SIC 3171 covers manufacturers specializing in the production of women's handbags and purses of leather or other materials, except precious metals.

SIC 3172 covers manufacturers specializing in the production of small articles, such as billfolds, key cases, and coin purses of leather or other materials, except precious metals.

SIC 3161 covers manufacturers specializing in the production of luggage of leather or other material.

SIC 2351 covers manufacturers specializing in the production of women's, misses', children's and infants' millinery.

- ** Covers manufacturing establishments only, and each location is separately counted. Not included are separate auxiliary locations serving the plants (i.e. administrative offices, purchasing offices, sales promotion offices, etc.)

Note: Dollar values are in terms of current dollars--not adjusted for inflation. This should be taken into account when comparing results for 1982 and 1977.

- # Value added by manufacture is derived by subtracting the cost of products bought for resale without further manufacture, the cost of piece goods and other materials, contract work, etc., from the value of shipments, with adjustments for finished products inventories. It avoids the duplication in value of production which results from the use of products of some manufacturing establishments as materials by others, and is for most purposes the best value measure of individual industries.

- ** Value of industry shipments represents the net selling values, f.o.b. plant, after discounts and allowances, and excluding freight charges and excise taxes. This value includes both products described as primary to the industry and secondary products and miscellaneous receipts (including receipts for contract work and resales). Available data on the total value of specific products shipped by both those classified in the industry (primary producers) and by secondary producers (who are classified in other industries) are covered in the value of shipments reported on pages 14-19.

Source: U.S. Bureau of the Census,
1982 Census of Manufactures
1985 Annual Survey of Manufactures

GENERAL INDUSTRY STATISTICS

Industry Shipments

Based on data compiled by the Census Bureau, the International Trade Administration compiles annual projections covering industry and product shipments on a constant and a current dollar basis for a limited number of accessory categories.

Overall, industry shipments of reported categories of accessories are projected to rise 2.3% in 1986, however, if the effects of inflation are removed, the increase is projected to be 1.1%.

The only categories which registered gains in industry shipments in 1986 were precious metal jewelry and costume jewelry. Shipments of precious metal jewelry are estimated to have climbed from \$3,180 million in 1984 to \$3,405 million in 1986. In the costume jewelry segment, shipments increased from \$1,186 million to \$1,310 million during the same period.

Value of Industry Shipments: 1985, 1986 (Dollar figures in millions)

	<u>Current Dollars</u>			<u>Constant (1982) dollars</u>		
	1986(p)	1985(p)	% Change 1986/85	1986	1985	% Change 1986/85
Total, reported categories	\$6,674	\$6,525	+ 2.3%	\$6,309	\$6,242	+ 1.1%
Precious metal jewelry	3,405	3,275	+ 4.0	3,375	3,275	+ 3.1
Costume jewelry	1,310	1,245	+ 5.2	1,142	1,134	+ 0.7
Leather gloves & mittens	180	182	- 1.1	186	189	- 1.6
Luggage	818	843	- 3.0	746	765	- 2.5
Handbags & purses	568	579	- 1.9	502	518	- 3.1
Small leather goods	393	401	- 2.0	358	361	- 0.8

(p) projections

Source: U.S. Department of Commerce,
International Trade Administration:
1987 U.S. Industrial Outlook

Employment & Earnings

The Bureau of Labor Statistics reports that between 1985 and 1986, U.S. production worker employment declined in all six measured accessory categories. The watches, clocks and watchcases segment recorded the largest decline with the number of production workers in that segment falling 12.4%.

A decline in production worker employment has been ongoing for many years. The accessory industry is highly labor-intensive and, as such, is highly sensitive to cost advantages in developing countries and currency fluctuations. Imports are a major factor in the decline in the industry. Industry sources report that imports account for as much as 60% of domestic supply in some accessory categories.

It should be noted that employment and earnings data issued by the Bureau of Labor Statistics and by the Census Bureau are not directly comparable due to differences in methodology used by each agency in compiling data.

GENERAL INDUSTRY STATISTICS

Employment & Earnings

Employment & Earnings in Specified Accessories Industries, 1984 - 1986

	<u>Annual Average</u>			<u>Percent Change</u>	
	<u>1986 (p)</u>	<u>1985</u>	<u>1984</u>	<u>1986/85</u>	<u>1986/84</u>
Costume jewelry (SIC 3961)					
All employees (thous.)	21.9	22.2	23.1	- 1.4%	- 5.2%
Production workers (thous.)	16.9	17.1	17.6	- 1.2	- 4.0
Avg. weekly hours	38.0	38.0	35.8	--	+ 6.1
Avg. weekly earnings	\$212.04	\$209.38	\$189.38	+ 1.3	+12.0
Precious metals jewelry (SIC 3911)					
All employees (thous.)	36.2	37.2	36.7	- 2.7	- 1.4%
Production workers (thous.)	24.8	25.3	25.4	- 2.0	- 2.4
Avg. weekly hours	37.8	38.0	37.5	- 0.5	+ 0.8
Avg. weekly earnings	\$307.69	\$298.30	\$285.38	+ 3.1	+ 7.8
Women's handbags & personal leather goods (SIC 317)					
All employees (thous.)	19.8	21.5	24.5	- 7.9	-19.2
Production workers (thous.)	15.8	17.4	20.0	- 9.2	-21.0
Avg. weekly hours	37.1	37.1	36.9	--	+ 0.5
Avg. weekly earnings	\$212.21	\$208.13	\$203.69	+ 2.0	+ 4.2
Watches, clocks & watchcases (SIC 387)					
All employees (thous.)	11.1	12.3	14.1	- 9.8	-21.3
Production workers (thous.)	7.8	8.9	10.0	-12.4	-22.0
Avg. weekly hours	39.9	39.4	41.1	+ 1.3	- 2.9
Avg. weekly earnings	\$279.70	\$270.68	\$270.85	+ 3.3	+ 3.3
Luggage (SIC 316)					
All employees (thous.)	10.9	11.3	13.2	- 3.5	-17.4
Production workers (thous.)	7.8	8.4	9.8	- 7.1	-20.4
Avg. weekly hours	38.3	38.7	38.1	- 1.0	+ 0.5
Avg. weekly earnings	\$237.08	\$250.00	\$244.22	- 5.2	- 2.9

(p) preliminary

Source: U.S. Bureau of Labor Statistics,
Employment & Earnings

Industry Concentration

The accessory industry is dominated by small companies, which for the most part, operate only one plant. However, it is the larger multi-unit operations which account for the majority of industry shipments. In only three of the ten measured segments of the accessory industry did single unit operations represent the majority of industry shipments according to data on industry concentration compiled by the U.S. Census Bureau in the 1982 census of manufactures.

The top 50 companies, based on shipments and miscellaneous receipts, accounted for well over half of the total business done in almost all segments of the accessories industry classification.

GENERAL INDUSTRY STATISTICS

Industry ConcentrationSingle & Multiunit Companies' Share of Shipments, 1982

	Companies	Plants		Employees		Value of Industry Shipments	
		No.	%	Thous.	%	Thous. \$	%
Costume jewelry	780	785	100.0%	21.1	100.0%	\$1,027.1	100.0%
Multiunit companies	41	46	5.9	8.7	41.2	515.1	50.2
Single unit companies	739	739	94.1	12.4	58.8	512.1	49.8
Precious metal jewelry	2,159	2,193	100.0%	35.3	100.0%	3,039.1	100.0%
Multiunit companies	102	136	6.2	13.3	37.7	1,232.7	40.6
Single unit companies	2,057	2,057	93.8	22.0	62.3	1,806.3	59.4
Watches, clocks & watchcases	227	237	100.0%	16.8	100.0%	1,187.6	100.0%
Multiunit companies	38	48	20.3	12.0	71.4	911.7	76.8
Single unit companies	189	189	79.7	4.7	28.6	275.8	23.2
Apparel belts	317	319	100.0%	11.7	100.0%	556.5	100.0%
Multiunit companies	18	20	6.3	2.6	22.2	168.1	30.2
Single unit companies	299	299	93.7	9.1	77.8	388.4	69.8
Fabric dress & work gloves	78	102	100.0%	6.8	100.0%	208.4	100.0%
Multiunit companies	29	53	52.0	5.4	79.4	169.2	81.2
Single unit companies	49	49	48.0	1.4	20.6	39.2	18.8
Leather gloves	80	96	100.0%	3.9	100.0%	177.6	100.0%
Multiunit companies	22	38	39.6	2.6	66.7	135.1	76.1
Single unit companies	58	58	60.4	1.2	33.3	42.5	23.9
Women's handbags & purses	383	393	100.0%	15.4	100.0%	623.7	100.0%
Multiunit companies	23	33	8.4	4.9	31.8	268.6	43.1
Single unit companies	360	360	91.6	10.5	68.2	355.0	56.9
Small leather goods	239	243	100.0%	9.9	100.0%	411.4	100.0%
Multiunit companies	23	27	11.1	4.9	49.5	222.7	54.1
Single unit companies	216	216	88.9	5.0	50.5	188.7	45.9
Luggage	286	292	100.0%	16.0	100.0%	789.0	100.0%
Multiunit companies	31	37	12.7	8.0	50.0	478.4	60.6
Single unit companies	255	255	87.3	8.0	50.0	310.6	39.4
Millinery	105	105	100.0%	2.5	100.0%	49.6	100.0%
Multiunit companies	3	3	2.9	(D)	na	(D)	na
Single unit companies	102	102	97.1	(D)	na	(D)	na

(D) Withheld to avoid disclosure
na not available

Source: U.S. Bureau of the Census
1982 Census of Manufactures:
Type of Organization, Subject Series (MC82-S-5)

GENERAL INDUSTRY STATISTICS

Industry Concentration

The majority of manufacturing facilities in every measured segment of the accessory industry employed fewer than 49 employees in 1982 according to the Census Bureau. The precious metal jewelry segment had the highest concentration of small plants with 83.3 percent of plants employing less than 20 employees. Costume jewelry ranked second with 76.3% of facilities fitting into this group.

Generally, however, it is the larger plants, with 100 or more employees, which account for the bulk of industry shipments. In the precious metal jewelry segment only 2.5% of plants had 100 or more workers yet these plants made 41.5% of industry shipments in 1982.

Concentration By Employment Size, 1982

	Establishments		Value Added By		Industry	
	Number	%	(Mil. \$)	%	(Mil. \$)	%
Costume jewelry industry,						
U.S. total	785	100.0%	\$ 588.9	100.0%	\$1,027.1	100.0%
By establishment (plant) size:						
Under 20 employees	599	76.3	76.8	13.0	144.0	14.0
20 - 49 employees	101	12.9	71.0	12.1	130.8	12.7
50 - 99 employees	43	5.5	61.8	10.5	114.0	11.1
100 or more employees	42	5.4	379.3	64.4	638.3	62.1
Precious metal jewelry industry						
U.S. total	2,193	100.0	1,278.8	100.0	3,039.1	100.0
By establishment (plant) size:						
Under 20 employees	1,826	83.3	295.0	23.1	715.1	23.5
20 - 49 employees	231	10.5	234.3	18.3	603.0	19.8
50 - 99 employees	82	3.7	171.6	13.4	460.1	15.1
100 or more employees	54	2.5	577.9	45.2	1,260.9	41.5
Watches and clock industry,						
U.S. total	237	100.0	483.5	100.0	1,187.6	100.0
By establishment (plant) size:						
Under 20 employees	150	63.3	21.6	4.5	48.6	4.1
20 - 49 employees	37	15.6	31.8	6.6	65.9	5.5
50 - 99 employees	17	7.2	31.6	6.5	74.9	6.3
100 or more employees	33	13.9	398.5	82.4	998.2	84.1
Apparel belt industry,						
U.S. total	319	100.0	305.4	100.0	556.5	100.0
By establishment (plant) size:						
Under 20 employees	176	55.2	25.8	8.4	51.5	9.3
20 - 49 employees	75	23.5	57.7	18.9	101.2	18.2
50 - 99 employees	41	12.9	66.6	21.8	117.4	21.1
100 or more employees	27	8.5	155.3	50.9	286.4	51.5

(continued)

GENERAL INDUSTRY STATISTICS

Industry Concentration

Concentration By Employment Size, 1982 (continued)

	Establishments		Value Added By Manufacture*		Industry Shipments*	
	Number	%	(Mil. \$)	%	(Mil. \$)	%
Fabric dress & work glove industry, U.S. total	102	100.0	104.7	100.0	208.4	100.0
By establishment (plant) size:						
Under 20 employees	38	37.3	7.4	7.1	16.5	7.9
20 - 49 employees	23	22.5	9.0	8.6	18.0	8.2
50 - 99 employees	15	14.7	14.9	14.2	27.6	13.2
100 or more employees	26	25.5	73.4	70.1	146.3	70.2
Leather glove industry U.S. total	96	100.0	72.5	100.0	177.6	100.0
By establishment (plant) size:						
Under 20 employees	42	43.8	5.3	7.3	12.6	7.1
20 - 49 employees	28	29.2	20.1	27.7	43.7	24.6
50 - 99 employees	15	15.6	16.4	22.6	38.9	21.9
100 or more employees	11	11.5	30.8	42.5	82.4	46.4
Women's handbag industry, U.S. total	393	100.0	320.4	100.0	623.7	100.0
By establishment (plant) size:						
Under 20 employees	245	62.3	28.2	8.8	56.1	9.0
20 - 49 employees	69	17.6	38.4	11.9	77.0	12.3
50 - 99 employees	41	10.4	60.4	18.9	110.2	17.7
100 or more employees	38	9.7	193.4	60.4	380.4	61.0
Small leather goods industry U.S. total	243	100.0	243.6	100.0	451.4	100.0
By establishment (plant) size:						
Under 20 employees	156	64.2	21.3	8.7	34.8	7.7
20 - 49 employees	39	16.0	25.3	10.4	44.0	9.7
50 - 99 employees	27	11.1	60.4	24.8	97.0	21.5
100 or more employees	21	8.6	136.6	56.1	275.6	61.8
Luggage industry, U.S. total	292	100.0	432.8	100.0	789.0	100.0
By establishment (plant) size:						
Under 20 employees	161	55.1	25.6	5.9	47.0	6.0
20 - 49 employees	60	20.5	34.2	7.9	64.4	8.2
50 - 99 employees	36	12.3	61.4	14.2	110.0	13.9
100 or more employees	35	12.0	311.6	72.0	567.6	71.9
Millinery industry, U.S. total	105	100.0	40.6	100.0	89.9	100.0
By establishment (plant) size:						
Under 20 employees	69	65.7	11.4	28.1	22.1	24.6
20 - 49 employees	24	22.9	13.6	33.5	31.1	34.6
50 - 99 employees	8	7.6	7.2	17.7	17.0	18.9
100 or more employees	4	3.8	8.5	20.9	19.7	21.9

* For an explanation of terms see page 6

Source: U.S. Bureau of the Census,
1982 Census of Manufactures

GENERAL INDUSTRY CONCENTRATION

Industry Location

The following table, based on the 1982 Census of Manufactures, covers the states which lead in the value added by manufacture in plants classified in industries related to men's and women's accessories.

New York was the leading state in eight of the ten reported categories in 1982. It represented more than half of the value added by manufacturer of women's handbags and purses, as well as in the millinery industry. Massachusetts held the bulk of value added in the costume jewelry industry, while North Carolina was the leader in fabric dress and work gloves.

Industry Statistics For Leading States, 1982

	All Plants		Employees		Value Added by Manufacture	
	With 20+ Total Employees		No. (thous.)	% of Total	Mil. \$	% of Total
Costume jewelry, U.S. total	785	186	21.1	100.0%	\$ 588.9	100.0%
Leading states:						
Massachusetts	36	17	2.1	10.0	76.6	13.0
New York	177	38	2.6	12.3	58.2	9.9
Connecticut	11	6	1.8	8.5	51.2	8.7
California	73	9	1.1	5.2	30.5	5.2
New Jersey	22	7	0.8	3.8	24.0	4.1
Precious metal jewelry, U.S. total	2,193	367	35.3	100.0	1,278.8	100.0
Leading states:						
New York	770	161	11.3	32.0	424.0	33.2
Rhode Island	233	60	6.1	17.3	226.5	17.7
California	270	29	3.1	8.8	116.7	9.1
Massachusetts	77	19	3.5	9.9	112.2	8.8
Texas	77	14	2.0	5.7	95.8	7.5
Watches, clocks & watchcases U.S. total	237	87	16.8	100.0	483.5	100.0
Leading states:						
New York	56	21	2.8	16.7	57.1	11.8
Michigan	9	5	0.9	5.4	37.0	7.7
Illinois	17	6	1.4	8.3	29.3	6.1
Massachusetts	11	4	0.8	4.8	24.6	5.1
Pennsylvania	9	5	0.5	3.0	19.2	4.0
Apparel belts, U.S. total	319	143	11.7	100.0	305.4	100.0
Leading states:						
New York	165	73	5.1	43.7	119.4	39.1
Texas	25	14	1.3	11.1	28.9	9.5
California	40	16	1.1	9.4	25.6	8.4
Pennsylvania	13	8	0.7	6.0	19.4	6.4
Massachusetts	8	6	0.6	5.1	17.9	5.9

(continued)

GENERAL INDUSTRY STATISTICS

Industry LocationIndustry Statistics For Leading States, 1982

	<u>All Plants</u>		<u>Employees</u>		<u>Value Added by Manufacture</u>	
	<u>Total</u>	<u>With 20+ Employees</u>	<u>No. (thous.)</u>	<u>% of Total</u>	<u>Mil. \$</u>	<u>% of Total</u>
Fabric dress & work gloves, U.S. total	102	64	6.8	100.0%	\$ 104.7	100.0%
Leading states:						
North Carolina	14	11	1.6	23.5	15.9	15.2
New York	11	3	0.3	4.4	11.5	11.0
Tennessee	4	4	0.5	7.4	4.7	4.5
Georgia	6	6	0.4	5.9	2.9	2.8
Leather gloves, U.S. total	96	54	3.9	100.0	72.5	100.0
Leading states:						
New York	24	10	1.0	25.6	15.6	21.5
Wisconsin	16	10	0.5	12.8	8.5	11.7
Women's handbags & purses, U.S. total	393	148	15.4	100.0	320.4	100.0
Leading states:						
New York	193	78	6.2	40.3	170.0	53.1
New Jersey	22	11	1.1	7.1	21.0	6.6
Florida	19	8	1.3	8.4	17.2	5.4
California	42	10	1.2	7.8	15.6	4.9
Pennsylvania	10	3	0.5	3.2	9.8	3.1
Small leather goods, U.S. total	243	87	9.9	100.0	243.6	100.0
Leading states:						
New York	69	26	2.7	27.3	60.5	24.8
New Jersey	13	7	0.8	8.1	32.3	13.3
California	52	13	0.7	7.1	13.0	5.3
Texas	8	3	0.2	2.0	6.4	2.6
Luggage, U.S. total	292	131	16.0	100.0	432.8	100.0
Leading states:						
New York	64	40	3.6	22.5	82.7	19.1
Tennessee	10	9	2.8	17.5	72.1	9.8
California	43	18	1.3	8.7	27.2	6.3
Illinois	27	12	0.7	4.4	16.1	3.7
Pennsylvania	12	4	0.7	4.4	12.8	3.0
Millinery, U.S. total	105	36	2.5	100.0	40.6	100.0
Leading states:						
New York	69	22	1.5	60.0	25.7	63.3
Pennsylvania	4	4	0.2	8.0	2.3	5.7

Source: U.S. Bureau of the Census,
1982 Census of Manufactures

PRODUCTION

The National Cotton Council of America, Memphis, Tenn., compiles information on production on gloves and handkerchiefs on an annual basis.

Production of Gloves & Handkerchiefs, 1983-1985 (Thousands of dozens) (continued)

	1985	1984	1983
Gloves & mittens (men's & women's) (pairs)	24,425	20,463	17,811
Principally knit	10,802	8,166	6,619
Principally woven	13,046	11,669	10,508
Leather & fabric combination excluding all leather	577	628	684
Handkerchiefs (men's)	6,346	6,981	6,346
Handkerchiefs (women's)	2,526	2,578	2,344

Source: Economic Services,
National Cotton Council of America:
Cotton Counts its Customers

PRODUCT SHIPMENTS

In contrast with "industry shipments" previously covered and defined on page 6, the value of product shipments covers the total value of shipments of specified items by all U.S. manufactures, regardless of industry classification based on primary products.

According to a survey of manufacturers concerning the outlook for shipments of fashion accessories, conducted by Kurt Salmon Associates, unit shipments are expected to rise about 9% in 1987, while the value of these shipments is expected to show a 12% increase. Luggage manufacturers are expected to show a 12% increase in unit shipments in 1987, with the dollar volume increasing 13%.

Estimated Growth of Accessory Shipments, 1987

	<u>Fashion accessories & small leather goods</u>	<u>Luggage</u>
Unit shipments	+ 9%	+ 12%
Value of shipments	+ 12	+ 13

Source: Kurt Salmon Associates
Soft Goods Outlook 1987

The complete Census of Manufactures which is conducted every five years by the U.S. Census Bureau (the most recent covering operations in 1982) provides the most detailed information available on U.S. manufacturers of accessories items.

In intercensal years the U.S. Bureau of the Census compiles surveys among manufacturers to develop information on key manufacturing statistics. A limited number of accessory categories are covered in these surveys, the latest available of which is for the year 1985. Findings compared with 1982 census data are reported in the following table.

PRODUDCT SHIPMENTS

Summary of Value of Shipments
By All U.S. Producers of Specified Accessories, 1982 - 1985

	Value of Shipments (Million \$)				% Change 1985/84
	1985	1984	1983	1982	
Jewelry, precious metal & costume jewelry	\$4,249.5	\$4,137.3	\$3,993.8	\$3,771.8	+ 2.7%
Precious metal jewelry	2,992.3	3,003.9	2,881.9	2,823.2	- 0.4
Platinum and karat gold jewelry	2,397.6	2,379.4	2,112.6	2,076.5	+ 0.8
Other precious metal jewelry	264.9	283.9	418.3	411.0	- 6.7
Jewelry, n.s.k.	329.8	340.5	351.0	335.7	- 3.1
Costume jewelry	1,257.2	1,133.4	1,111.9	948.6	+ 10.9
Watches	(D)	(D)	391.7	516.3	--
Watches with imported movements or modules	(D)	(D)	391.7	475.9	--
Watches with domestic movements or modules, clock cases & parts	(D)	(D)		58.4	--
Apparel belts*	442.6	475.6	492.4	474.2	- 6.9
Leather belts	277.5	278.2	272.8	261.5	- 0.3
Belts, other than leather	136.2	155.6	173.9	164.7	- 12.5
Other, n.s.k.	28.9	41.8	39.7	48.0	- 30.9
Gloves, Fabric, dress & work, leather	380.0	362.4	338.6	345.3	+ 4.9
Fabric dress & work gloves	226.9	217.0	208.9	206.6	+ 4.6
Dress, semi dress & work gloves & mittens	200.5	204.0	191.8	195.0	- 1.7
Fabric dress & work gloves, n.s.k.	26.4	13.0	17.1	11.6	+103.1
Leather gloves & mittens	153.1	145.4	129.7	138.7	+ 5.3
Small personal leather goods	401.7	405.2	418.8	393.1	- 0.9
Handbags & purses	444.5	483.4	507.4	524.9	- 8.0
Millinery	104.6	104.5	89.9	87.7	+ 0.1
Luggage	626.9	717.7	675.9	647.3	- 12.7
Other accessories	--	--	--	--	--
Cotton handkerchiefs	na	nr	nr	41.0	--
Umbrellas, parasols & canes	na	60.3	66.4	64.9	--
Sun or glare glasses & sunglasses, ready-made	na	nr	nr	nr	--
Women's, misses' & juniors' scarfs, dickies & neckwear	na	nr	nr	34.0	--

* Excludes belts made and sold as part of garments

**Includes types not specified by kind

na not available

nr not reported

n.s.k. not specified by kind

Source: U.S. Bureau of the Census,
1985 Annual Survey of Manufactures,
Current Industrial Reports: Gloves & Mittens
(MA-23D)

PRODUCT SHIPMENTS

Estimates for 1985 and 1986 product shipments for some accessory items are compiled by the International Trade Administration and are published in the U.S. Industrial Outlook. These figures cover shipments by all U.S. producers, regardless of primary industry classification.

As indicated by the compound annual growth rates, the domestic accessory business has been in a tailspin in recent years, with every measured category except jewelry registering declines. Although jewelry did show positive growth between 1979 and 1984, the rate of growth for this period was significantly lower than in the 1972-84 period. Industry analysts report that a factor in the growth of shipments of jewelry was the small increase in prices for precious metal jewelry and costume jewelry, estimated up only 1% and 4% respectively.

According to the International Trade Administration, the total value of product shipments in the luggage and personal leather goods industries in 1986 fell 3.1% to \$1.87 billion. Measured in constant (1982) dollars, the decline was 3.1% as well. In the jewelry segment, product shipments continued to grow moderately. Precious metal and costume jewelry shipments reached an estimated \$4.7 billion in 1986 with precious metal jewelry accounting for \$3.4 billion of the total. Total constant-dollar shipments were up 3% over 1985 as those of precious metal jewelry increase 3% and those of costume jewelry rose 1%.

A strong U.S. dollar has made it difficult for U.S. manufacturers to serve foreign markets. Unfavorable exchange rates made U.S. produced goods much more expensive in foreign markets. In recent months, however, the value of the U.S. dollar has begun to decline against many currencies and a gain of exports of accessories has been noticed. It must be noted that exports still account for only a small percent of domestic production.

Estimated Value of Product Shipments By All Producers: 1985, 1986
(Millions of dollars)

	<u>Current Dollars</u>		<u>Constant (1982) Dollars</u>		<u>Current Dollars Compound Annual Rate of Growth</u>	
	<u>1986</u>	<u>1985</u>	<u>1986</u>	<u>1985</u>	<u>1972-1984</u>	<u>1979-1984</u>
Jewelry						
Precious metal	\$3,220	\$3,095	3,191	3,095	9.8	3.3
Costume	1,250	1,190	1,090	1,084	8.2	5.4
Leather accessories	173	180	164	172	0.7	- 5.7
Leather gloves & mittens	145	146	150	152	5.1	- 0.8
Luggage	706	731	643	664	6.9	- 0.3
Handbags & purses	464	472	410	422	2.9	- 0.3
Small leather goods	380	397	346	357	4.8	- 0.1

Source: International Trade Administration,
1987 U.S. Industrial Outlook

PRODUCT SHIPMENTS

The quantity and value of accessories products shipped by all manufacturers in greater detail than currently available was reported by the Census Bureau based on the 1982 Census of Manufactures, as noted below. Comparisons are shown with the 1977 census.

Jewelry

Value of Shipments of Jewelry By All U.S. Producers: 1977, 1982 (Millions of dollars)

	<u>1982</u>	<u>1977</u>	<u>% Change 1982/1977</u>
Precious metal jewelry, total	\$2,823.2	\$1,907.7	+ 48.0%
Jewelry, made of platinum metals & karat gold, total	2,076.5	1,125.1	+ 84.6
Fraternal, college & school rings	253.1	172.1	+ 47.1
Wedding rings	294.2	133.2	+120.9
Other rings	436.4	312.6	+ 39.6
Ring mountings for sale separately	115.2	69.3	+ 66.2
Women's & children's jewelry, incl. necklaces, bracelets, broaches, pins, clips, earrings, etc.	715.8	327.8	+118.4
Watch attachments	30.7	31.4	- 2.2
Organizational jewelry	40.6	44.7	- 9.2
Other, incl. men's religious jewelry, cigarette cases, lighters, compacts, vanity cases, etc.	152.1	52.3	+190.8
Jewelry, n.s.k.	38.4	108.0	- 64.4
Jewelry of precious metals, excl. platinum or karat gold, total	411.0	353.0	+ 16.4
Rings & ring mountings	44.8	35.3	+ 26.9
Men's jewelry	40.5	33.0	+ 22.7
Women's & children's jewelry	218.7	184.3	+ 18.7
Bracelets for watches	40.1	38.1	+ 5.2
Other jewelry	63.2	38.1	+ 65.9
Jewelry, n.s.k.	3.6	24.1	- 85.1
Other jewelry of precious metal	335.7	303.1	+ 10.8
Costume jewelry, total	944.9	781.8	+ 20.9

(continued)

PRODUCT SHIPMENTS

Jewelry

Value of Shipments of Jewelry By All U.S. Producers: 1977, 1982 (Millions of dollars) (continued)

	<u>1982</u>	<u>1977</u>	<u>% Change</u> <u>1982/1977</u>
Base metal:			
Rings & ring mountings	129.1	43.3	+198.2
Men's jewelry, excl. watch attachments & rings	30.5	53.1	- 42.5
Women's & children's jewelry & costume novelties	429.2	402.3	+ 6.7
Bracelets for watches & fraternal, college & school jewelry	82.8	43.2	+ 91.7
Other jewelry, incl. religious	34.3	25.6	+ 34.0
Imitation pearls	5.8	14.3	- 59.4
Compact & vanity cases	74.7	36.2	+106.4
Other costume jewelry made of plastic, wood, leather, etc.	38.3	42.0	- 8.8
Costume jewelry, n.s.k.	120.3	121.4	- 0.9

n.s.k. not specified by kind

Source: U.S. Bureau of the Census,
1982 Census of Manufactures,
MC-82-39A & MC82-I-39C-5

Handbags

Quantity & Value of Purse & Handbag Shipments By All U.S. Producers: 1977, 1982

(Value in millions of dollars; quantity in thousands of units)

	<u>Quantity</u>		<u>% Change</u>	<u>Value</u>		<u>% Change</u>
	<u>1982</u>	<u>1977</u>	<u>1982/77</u>	<u>1982</u>	<u>1977</u>	<u>1980/77</u>
Women's purses & handbags	na	na	--	\$524.9	\$436.2	- 20.3%
All leather & chiefly leather	13.2	(S)	--	234.9	109.4	-114.7
Plastics or chiefly plastic	12.4	25.1	-50.6%	111.6	154.6	- 27.8
Other materials exc. precious metal	11.0	(S)	--	72.2	53.2	+ 35.7
Women's & children's handbags, n.s.k.	na	na	--	106.2	119.0	- 10.8

na not available

n.s.k. not specified by kind

Source: U.S. Bureau of the Census,
1982 Census of Manufactures
(MC82-I-31B)

PRODUCT SHIPMENTS

Belts

Quantity & Value of Shipments of Apparel Belts By All U.S. Producers: 1977, 1982

(Value in millions of dollars; quantity in thousands of dozens)

	Quantity		% Change 1982/77	Value		% Change 1982/77
	1982	1977		1982	1977	
Apparel belts, total	na	na	--	\$474.2	\$244.3	+ 94.1%
Leather, total	na	7,040.0	--	261.5	155.5	+ 68.2
Women's & children's	3,956.8	1,442.0	+174.4%	96.8	32.3	+199.7
Men's & boys'	5,893.7	5,466.0	+ 7.8	157.9	119.5	+ 32.1
Not specified	na	132.0	--	6.8	3.7	+ 83.8
Other materials	na	5,983.0	--	164.7	58.2	+183.0
Women's & children's	11,231.9	4,613.0	+143.5	111.0	39.1	+183.9
Men's & boys'	4,479.2	715.0	+526.5	49.6	13.2	+275.7
Not specified	na	655.0	--	4.2	5.9	- 28.8
Materials unspecified	na	na	--	47.2	30.6	+ 54.2

na not available

Source: U.S. Bureau of the Census,
1982 Census of Manufactures
(MC82-I-23D)

Personal Leather Goods

Quantity & Value of Shipments of Personal Leather Goods By All Producers, 1977, 1982

(Value in millions of dollars; quantity in thousands of units)

	Quantity		% Change 1982/77	Value		% Change 1982/77
	1982	1977		1982	1977	
Personal leather goods, total	na	na	--	\$393.1	\$369.2	+ 6.5%
Billfolds, wallets, french purses & clutches	45,409.4	na	--	186.9	136.0	+ 37.4
Leather	27,391.1	23,078.2	+18.7%	157.8	125.3	+ 25.9
All other materials	18,027.4	na	--	29.1	10.7	+172.0
Travel kits (fitted & unfitted)	1,848.5	na	--	10.0	21.9	- 54.3
Jewelry boxes & cases, exc. precious metal	na	13,091.2	--	26.4	47.1	- 58.2
Leather compacts and vanity cases	1,256.3	na	--	1.8	na	--
Other personal goods, incl. key, cigarette, eyeglass, pass card & instrument cases; pocket secretaries, tobacco pouches, cosmetic bags, etc.	na	na	--	103.3	97.9	+ 5.5
Leather	na	na	--	38.1	55.8	- 31.7
All other materials	na	na	--	65.2	42.1	+ 54.9
Personal leather goods, n.e.c.	na	na	--	56.3	59.0	- 4.6

na not available

n.e.c. not elsewhere classified

Source: U.S. Bureau of the Census,
1982 Census of Manufactures
(MC82-I-31B)

PRODUCT SHIPMENTS

Millinery

Quantity & Value of Shipments of Millinery Products
By All Producers, 1977, 1982
(Value in millions of dollars; quantity in thousands of units)

	<u>Quantity</u>		<u>% Change</u>	<u>Value</u>		<u>% Change</u>
	<u>1982</u>	<u>1977</u>		<u>1982</u>	<u>1977</u>	
Millinery total	na	na	--	\$87.7	\$74.2	+18.2%
Fur-felt & wool felt millinery	267.7	215.0	+ 24.5%	18.2	12.5	+45.6
Fabric millinery (made from all types fabrics)	800.6	496.0	+ 61.4	20.5	12.3	+66.7
All other millinery	435.1	140.0	+210.7	21.7	14.7	-47.6
Millinery, n.s.k.	na	na	--	27.2	34.7	-21.6

na not available

n.s.k. not specified by kind

Source: U.S. Bureau of the Census,
1982 Census of Manufactures, (MC82-I-23C)

Gloves

Later data (covering 1985) is available on shipments of gloves by U.S. manufacturers through the Current Industrial Reports Series compiled on the basis of a survey by the Census Bureau among manufacturers of leather, fabric, rubber and plastic gloves and mittens, as well as jobbers.

Quantity & Value of Product Shipments of Gloves & Mittens
By All U.S. Producers, 1984, 1985

	<u>Quantity</u>		<u>% Change</u>	<u>Value</u>		<u>% Change</u>
	<u>(Thous. Doz.)</u>			<u>(Mil. \$)</u>		
	<u>1985</u>	<u>1984</u>	<u>1985/84</u>	<u>1985</u>	<u>1984</u>	<u>1985/84</u>
Dress & semi dress gloves & mittens, total	3,097	2,585	+ 19.8%	\$ 74.5	\$ 66.8	+11.5%
By material:						
All knit fabric, seamed	146	(D)	--	4.2	(D)	--
Leather & fabric combinations	212	146	+ 45.2	15.7	11.3	+38.9
All leather	227	259	- 12.4	26.7	28.2	- 5.3
All other materials	2,512	(D)	--	27.9	(D)	--

(D) Withheld to avoid disclosure

Source: U.S. Bureau of the Census,
Current Industrial Report,
Gloves & Mittens (MA-23D (85)-1)

PRODUCT SHIPMENTS

Luggage

Quantity & Value of Shipments of Luggage
By All U.S. Producers: 1977, 1982
 (Quantity in thousands; value in millions of dollars)

	<u>Quantity</u>		<u>% Change</u>	<u>Value</u>		<u>% Change</u>
	<u>1982</u>	<u>1977</u>	<u>1982/77</u>	<u>1982</u>	<u>1977</u>	<u>1982/77</u>
Luggage, total	na	na	—	\$647.3	\$585.3	+10.6%
Women's hand luggage, all types						
except zippered	2,432.7	5,123.0	- 52.5%	88.2	107.2	-17.7
Soft side (lock construction)	(S) 1,946.4		—	21.2	35.5	-40.3
Other (including hard side & fully or semi-molded)	(D) 3,176.5		—	67.0	71.7	- 6.6
Men's hand luggage, all types except zippered	1,066.9	2,956.9	- 63.9	50.5	65.8	- 23.3
Molded (fully or semi-molded)	901.6	1,559.4	- 42.2	31.5	35.7	- 11.8
Other (including hard & soft side)	165.3	397.5	- 58.4	19.0	30.1	- 36.9
Men's & women's zippered hand luggage	6,304.7	9,916.7	- 36.4	165.7	147.1	+ 12.6
Occupational luggage cases, sample case, etc.	5,324.3	3,569.7	+ 49.2	45.1	32.5	+ 38.8
Trunks, hand trunks & lockers	985.9	1,619.9	- 39.1	23.0	19.3	+ 19.2
Briefcases, envelopes, school bags	3,663.4	5,395.2	- 32.1	34.9	27.8	+ 25.5
Attache cases	2,157.3	3,857.7	- 44.1	56.4	58.3	- 3.3
Other (musical instrument cases, etc.)	7,938.3	na	—	45.0	38.6	+ 19.2
Luggage, n.s.k.	na	na	—	103.3	79.7	+ 29.6

na not available

(S) Surpressed

(D) Withheld to avoid disclosure

n.s.k. not specified by kind

Source: U.S. Bureau of the Census,
1982 Census of Manufactures,
 (MC82-I-31B)

Leading States

New York accounted for more than half of all shipments of non-leather belts in 1982 as well as 44.8% of platinum and karat gold jewelry and 29.6% of leather belts. Rhode Island was the largest producer of precious metal jewelry other than platinum and karat gold accounting for better than 40% of shipments of this type of accessory.

PRODUCT SHIPMENTS

Leading States

Value of Shipments of Specified Accessory Products By Leading States 1977, 1982 (Millions of dollars)

	<u>Value of Shipments</u>		<u>% Change</u>	<u>% of Total</u>
	<u>1982</u>	<u>1977</u>	<u>1982/1977</u>	<u>1982</u>
Jewelry made of platinum metals & karat gold				
Leading states:				
New York	\$ 931.2	\$ 608.2	+ 53.1%	44.8
California	184.7	81.9	+125.5	8.9
Massachusetts	138.8	105.6	+ 31.4	6.7
New Jersey	136.0	82.7	+ 64.4	6.5
Texas	122.2	63.0	+ 94.0	5.9
Leading states, total	1,512.9	941.4	+ 60.7	72.9
U.S. total	2,076.5	1,251.5	+ 66.0	100.0%
Other jewelry made of precious metals				
Leading states:				
Rhode Island	167.0	191.0	- 12.6	40.6
New York	74.5	51.1	+ 45.8	18.1
Massachusetts	33.7	33.5	+ 0.6	8.2
Texas	17.7	na	--	4.3
Illinois	14.0	1.8	+677.7	3.4
California	11.6	9.5	+ 21.1	2.8
Leading states, total	306.9	na	--	74.7
U.S. total	411.0	353.0	+ 16.4	100.0%
Leather belts				
Leading states:				
New York	77.6	32.2	+141.0	29.6
Texas	31.2	21.0	+ 48.6	11.9
California	28.0	10.3	+171.8	10.7
New Jersey	19.4	6.4	+203.1	7.4
Massachusetts	15.7	7.4	+112.2	6.0
Leading states, total	171.9	77.7	+121.2	65.7
U.S. total	261.5	155.5	+ 68.2	100.0%
Belts other than leather				
Leading states:				
New York	99.8	37.4	+166.8	54.0
Pennsylvania	13.1	3.6	+263.8	7.0
Massachusetts	10.1	3.1	+225.8	5.5
California	8.6	3.5	+145.7	4.7
North Carolina	9.1	2.4	+279.2	4.9
Leading states, total	140.7	50.0	+181.4	76.2
U.S. total	184.7	58.2	+217.4	100.0%

(continued)

PRODUCT SHIPMENTS

Value of Shipments of Specified Accessory Products By Leading States 1977, 1982 (Millions of dollars) (continued)

	<u>Value of Shipments</u>		<u>% Change</u>	<u>% of Total</u>
	<u>1982</u>	<u>1977</u>	<u>1982/1977</u>	<u>1982</u>
Watches with imported movements or modules				
Leading state:				
New York	111.9	152.1	- 26.4	24.4
U.S. total	457.9	300.7	+ 52.3	100.0%
Watches with domestic movements or modules				
Leading state:				
New York	7.6	na	na	13.0
U.S. total	58.4	na	na	100.0%
Watchcases & parts for watchcases				
Leading state:				
New York	35.5	39.9	- 11.0	50.4
U.S. total	70.5	67.2	+ 4.9	100.0%

Source: Based on U.S. Bureau of the Census,
1982 Census of Manufactures, (Industry Series)

Concentration of Product Shipments

While there have been some consolidations within the industry, primarily in the jewelry segment, the share of market accounted for by the largest accessory manufacturers declined somewhat for many products between 1977 and 1982. The latest figures on share of specific product shipments accounted for by the largest companies are reported below.

Share of Specified Accessories Product Shipments By the Largest U.S. Manufacturers, 1982

	<u>Product Shipments</u> (Mil. \$)	<u>% value accounted for by the largest companies</u>			
		<u>Top 4</u>	<u>Top 8</u>	<u>Top 20</u>	<u>Top 50</u>
Costume jewelry & costume novelties					
1982	\$ 984.6	21%	31%	48%	63%
1977	781.5	17	26	41	58
Platinum & karat gold jewelry					
1982	2,076.5	18	24	36	53
1977	1,251.5	21	28	41	57
Watches with imported movements					
1982	457.9	88	97	100	100
1977	300.7	74	90	(D)	100
Watchcases & parts for watchcases					
1982	70.5	69	93	100	100
1977	67.2	66	88	(D)	100

(continued)

PRODUCT SHIPMENTS

Concentration of Product Shipments

Share of Specified Accessories Product Shipments By the Largest U.S. Manufacturers, 1982 (continued)

	Product Shipments (Mil. \$)	% value accounted for by the largest companies			
		Top 4	Top 8	Top 20	Top 50
Leather belts					
1982	261.5	24	34	55	83
1977	155.5	27	42	64	87
Dress & semidress gloves & mittens					
1982	(D)	68	90	100	100
1977	16.1	75	92	100	100
Leather dress & work gloves & mittens					
1982	138.7	39	53	74	94
1977	121.9	33	44	66	92
Women's & children's handbags & purses					
1982	524.9	16	26	45	69
1977	436.2	15	25	43	67
Personal leather goods					
1982	393.1	28	41	57	77
1977	269.2	40	50	65	82
Suitcases, briefcases, bags & musical instrument cases					
1982	647.3	35	45	62	78
1977	585.3	41	51	66	82

(D) Withheld to avoid disclosure of individual company operations

Source: U.S. Bureau of the Census,
Concentration Ratios in Manufacturing
(MC82-S-7)

Producer Price Index of Specified Accessories, June 1985, 1986; October 1985, 1986 (June 1985 = 100 unless otherwise indicated)

	October Average			June Average		
	1986	1985	% Change 1986/85	1986	1985	% Change 1986/85
Costume jewelry & costume novelties made of base metals	101.8	101.6	- 0.2%	101.7	100.0	+ 1.7%
Men's jewelry, exc. watch attachments & rings	113.4	116.0	- 2.2	113.4	100.0	+13.4
Women's & children's jewelry, exc. watch attachments & rings	100.3	99.8	- 0.5	100.3	100.0	+ 0.3
Watches with imported movements or modules*	103.8	101.0	+ 2.8	103.8	101.0	+ 2.8
Watches without balance wheels or hairsprings*	112.2	103.2	+ 8.7	112.2	103.2	+ 8.7
Watches with movements other than solid state*	99.4	99.3	+ 0.1	99.4	99.3	+ 0.1
Watches with domestic movements or modules*	98.3	103.8	- 5.3	98.3	103.8	- 5.3

(continued)

PRODUCER PRICE INDEXES

Producer Price Index of Specified Accessories, June 1985, 1986; October 1985, 1986 (June 1985 = 100 unless otherwise indicated)

	October Average			June Average		
	1986	1985	% Change 1986/85	1986	1985	% Change 1986/85
Apparel belts	97.6	101.0	- 3.4%	96.9	100.0	- 3.1%
Leather belts	94.6	101.4	- 6.7	93.9	100.0	- 6.1
Women's & children's	101.3	101.8	- 0.5	101.3	100.0	+ 1.3
Men's & boys'	97.7	100.0	- 2.3	96.8	100.0	- 3.2
Fabric dress & work gloves	99.9	100.0	- 0.1	100.8	100.0	+ 0.8
Work gloves & mittens	100.1	100.1	--	100.7	100.0	+ 0.7
All fabric	100.1	100.1	--	100.8	100.0	+ 0.8
Single canton flannel	98.6	99.7	- 1.1	99.4	100.0	- 0.6
Double canton flannel	98.5	99.9	- 1.4	99.9	100.0	- 0.1
Fleece cotton jersey	101.9	99.9	+ 2.0	103.0	100.0	+ 3.0
Leather or plastic and fabric combinations	100.0	99.9	+ 0.1	100.0	100.0	--
Leather gloves & mittens	100.1	100.0	+ 0.1	100.3	100.0	+ 0.3
All leather dress & semi dress	101.5	101.3	+ 2.0	101.5	100.0	+ 1.5
Other than block out	106.4	103.9	+ 2.4	106.4	100.0	+ 6.4
Men's & boys'	109.6	105.8	+ 3.6	109.6	100.0	+ 9.6
Women's & children's	100.0	100.0	--	100.0	100.0	--
Women's & children's handbags & purses**	115.9	113.4	+ 2.2	114.8	113.4	+ 1.2
All or chiefly leather **	112.6	108.8	+ 3.5	110.9	109.9	+ 0.9
All or chiefly plastic **	115.7	113.7	+ 1.8	114.7	113.7	+ 0.9
All other materials **	123.5	119.8	+ 3.1	123.5	119.8	+ 3.1
Personal leather goods, exc. handbags & purses **	111.6	111.1	+ 0.5	111.3	111.1	+ 0.2
Billfolds, wallets, french purses & clutches**	111.2	111.3	- 0.1	111.2	111.3	- 0.1
Leather billfolds & wallets**	114.5	113.5	+ 0.9	114.5	113.5	+ 0.9
Leather french purses**	103.0	102.0	+ 1.0	103.0	102.0	+ 1.0
Leather clutches**	107.5	108.4	- 0.8	107.5	108.4	- 0.8
All other materials**	125.6	133.1	- 5.6	125.6	133.1	- 5.6
Travel kits**	157.7	152.6	+ 3.3	152.6	162.3	- 6.0
Luggage#	95.8	100.5	- 4.7	96.5	101.5	- 4.9
Hand luggage#	92.7	101.4	- 8.6	92.3	100.9	- 8.5
Men's#	106.0	102.7	+ 3.2	106.0	101.7	+ 4.2
Hard sided#	105.8	105.4	+ 0.4	105.8	102.7	+ 3.0
Zippered#	103.8	101.2	+ 2.6	103.4	101.6	+ 1.8
Attache cases#	101.4	104.4	- 2.9	109.9	104.4	+ 5.3
Millinery	100.0	100.0	--	100.0	100.0	--
Fur felt & wool felt	100.0	100.0	--	100.0	100.0	--
Fabric	100.0	100.0	--	100.0	100.0	--
Straw	100.0	100.0	--	100.0	100.0	--

* 6/83 = 100

** 6/82 = 100

12/84 = 100

Source: U.S. Bureau of Labor Statistics

FOREIGN TRADE

Imports are one of the largest trouble spots for domestic accessory manufacturers, and inroads made by foreign produced goods are showing no signs of abating. Market penetration of imported accessories is high in every measured category, ranging from 31% for costume jewelry to 60.4% for handbags and purses.

The growth in imports in the accessory industry can be traced, for the most part, to the strong U.S. dollar of the early 1980's and to the labor intensiveness of the industry, which translates into cost advantages for developing countries.

Recent declines in the U.S. dollar on a number of foreign exchange markets have brightened the import picture somewhat. Imports generally slowed their decade long growth in 1986 and in some cases even registered declines. The moderation generally came in imports from Japan and Western Europe where currencies have appreciated relative to the U.S. dollar. The U.S. dollar fell only slightly, if at all, against the currencies of developing countries like Taiwan, South Korea and Hong Kong. Imports from these countries generally continued to show strong growth, often at the expense of other developing countries. For the most part, accessories imported to the U.S. carry low price points and come from the Far East.

Many foreign producers have already begun to respond to the changing foreign exchange ratios, and are reducing their profit margins in order to maintain cost advantages while others are shifting production to other countries which are not as severely affected by the lower value of the U.S. dollar.

As for the U.S. exports of accessory items, it is hoped that with the decline in the value of the dollar, particularly in countries that are potentially good customers, exports will pick up as they become expensive for foreign consumers.

Foreign Trade in Accessories, 1983-1986 (Millions of \$)

	<u>1986(e)</u>	<u>1985</u>	<u>1984</u>	<u>1983</u>	<u>% Change</u> <u>1986/85</u>	<u>Compound</u> <u>Annual</u> <u>Growth Rate</u> <u>1979-1984</u>
Leather gloves & mittens						
Value of imports	\$ 72.5	\$ 89.3	\$ 86.0	\$ 59.5	- 18.8%	+ 4.8%
Import/new supply ratio	0.334	0.379	0.372	0.314	- 11.9	+ 3.7
Value of exports	\$ 10.3	\$ 12.0	\$ 17.4	\$ 8.6	- 14.2	+ 7.2
Export/shipment ratio	0.071	0.082	0.120	0.066	- 13.4	- 8.1
Luggage						
Value of imports	\$ 689	\$ 623	\$ 575	\$ 412	+ 10.6	+19.5
Import/new supply ratio	0.494	0.460	0.445	0.379	+ 7.4	+12.7
Value of exports	\$ 17.8	\$ 22.0	\$ 27.4	\$ 33.7	- 19.1	-10.6
Export/shipment ratio	0.025	0.030	0.036	0.050	- 16.7	-10.4

(continued)

FOREIGN TRADE

Foreign Trade in Accessories, 1983-1986

(Millions of \$)

(continued)

	1986(e)	1985	1984	1983	% Change 1986/85	Compound Annual Growth Rate 1979-1984
Handbags & purses						
Value of imports	\$ 708	\$ 620	\$ 582	\$ 480	+ 14.2%	+13.5%
Import/new supply ratio	0.604	0.568	0.546	0.486	+ 6.3	+ 7.2
Value of exports	\$ 7.8	\$ 7.1	\$ 10.6	\$ 9.2	+ 9.9	- 0.6
Export/shipment ratio	0.017	0.015	0.022	0.018	+ 13.3	- 0.2
Small leather goods						
Value of imports	\$ 268	\$ 239	\$ 203	\$ 156	+ 12.1	+14.5
Import/new supply ratio	0.414	0.376	0.333	0.272	+ 10.1	+10.6
Value of exports	\$ 6.5	\$ 6.2	\$ 5.4	\$ 5.6	+ 4.8	- 4.5
Export/shipment ratio	0.017	0.016	0.013	0.013	+ 6.3	- 4.4
Precious metal jewelry						
Value of imports	\$1,910	\$1,721	\$1,190	\$ 873	+ 11.0	+ 8.4
Import/new supply ratio	0.335	0.321	0.252	0.203	+ 4.4	+ 4.1
Value of exports	\$ 155	\$ 143	\$ 144	\$ 160	+ 8.4	- 1.0
Export/shipment ratio	0.041	0.039	0.041	0.047	+ 5.1	- 3.8
Costume jewelry						
Value of imports	\$ 570	\$ 538	\$ 440	\$ 234	+ 6.0	+21.3
Import/new supply ratio	0.313	0.311	0.280	0.174	+ 0.6	+11.7
Value of exports	\$ 70.5	\$ 55.9	\$ 58.2	\$ 64.8	+ 25.2	- 1.6
Export/shipment ratio	0.056	0.047	0.051	0.058	+ 19.1	- 6.7

(e) estimated

Source: International Trade Administration
U.S. Department of Commerce
1987 U.S. Industrial Outlook

More detailed information on imports and exports of specified accessory items is available from the International Trade Administration.

FOREIGN TRADE

U.S. Imports & Exports of Accessory Items: 1984, 1985,
January - September, 1985, 1986

	<u>January-September</u>		<u>% Change</u> <u>1986/85</u>	<u>Annual Total</u>		<u>% Change</u> <u>1985/84</u>
	<u>1986</u>	<u>1985</u>		<u>1985</u>	<u>1984</u>	
Handbags						
Imports:						
Quantity (thous. units)	143,457	150,112	- 4.4%	202,877	207,230	- 2.1%
Value (thous. \$)	\$478,261	\$458,827	+ 4.2	\$622,146	\$599,806	+ 3.7
Exports:						
Quantity (thous. units)	1,401	1,763	-20.5	2,369	4,271	- 44.5
Value (thous. \$)	\$6,292	\$5,102	+23.3	7,118	10,600	- 32.8
Luggage						
Imports:						
Value (thous. \$)	\$501,137	\$452,312	+10.8	614,103	552,555	+ 11.1
Exports:						
Value (thous. \$)	\$ 13,156	\$ 15,994	-17.7	\$21,514	\$26,621	- 19.2
Flat Goods						
Imports:						
Value (thous. \$)	\$125,392	\$102,955	+21.8	\$153,933	\$138,601	+ 11.1
Exports:						
Value (thous. \$)	\$ 4,450	\$ 4,620	- 3.7	\$ 6,134	\$ 5,308	+15.6
Watches & watch movements						
Imports:						
Quantity (thous. units)	104,106	96,394	+ 8.0	142,755	154,182	- 7.4
Value (thous. \$)	\$795,509	\$713,319	+11.5	\$1,020,635	\$909,166	+ 12.3
Exports:						
Quantity (thous. units)	822	490	+67.8	673	632	+ 6.5
Value (thous. \$)	\$ 11,646	\$ 5,836	+99.6	\$ 8,781	\$ 8,107	+ 8.3
Jewelry, total						
Imports:						
Value (thous. \$)	\$1,873,429	\$1,688,702	+10.9	\$2,508,073	\$1,903,712	+31.7
Exports:						
Value (thous. \$)	\$ 172,151	\$134,234	+28.2	\$ 180,191	\$ 162,811	+10.7
Precious metal jewelry						
Imports:						
Value (thous. \$)	\$1,308,726	\$1,121,546	+16.7	\$1,733,597	\$1,200,951	+44.4
Exports:						
Value (thous. \$)	\$ 109,807	\$ 87,214	+25.9	\$ 113,569	\$ 95,231	+19.3
Costume jewelry						
Imports:						
Value (thous. \$)	\$ 341,051	\$337,711	+ 1.0	\$460,986	\$379,961	+21.3
Exports:						
Value (thous. \$)	\$ 57,747	\$ 41,730	+38.4	\$ 58,792	\$ 60,250	- 2.4
Pearls, natural or cultured						
Imports:						
Value (thous. \$)	\$ 145,737	\$172,124	-15.3	\$231,000	\$243,262	- 5.0
Exports:						
Value (thous. \$)	\$ 923	\$ 1,404	-34.3	\$ 2,743	\$ 1,904	+44.1

(continued)

FOREIGN TRADE

U.S. Imports & Exports of Accessory Items: 1984, 1985, January - September 1986 (continued)

	<u>January-September</u>		<u>% Change</u>	<u>Annual Total</u>		<u>% Change</u>
	<u>1986</u>	<u>1985</u>	<u>1986/85</u>	<u>1985</u>	<u>1986</u>	<u>1985/84</u>
Gloves						
Imports:						
Quantity (thous. doz.)	66,524	58,544	+13.6%	74,851	207,230	- 2.1%
Value (thous. \$)	\$264,865	\$270,188	- 2.0	\$356,269	\$324,598	+ 9.8
Exports:						
Quantity (thous. doz.)	21,552	16,515	+30.5	23,102	25,293	- 8.7
Value (thous. \$)	\$ 77,108	\$60,471	+27.5	\$82,007	\$88,177	- 7.0
Neckwear						
Imports:						
Quantity (thous. doz.)	1,199	1,173	+ 2.2	1,607	1,555	+ 3.3
Value (thous. \$)	\$ 40,603	\$ 32,326	+25.6	\$ 46,528	\$ 43,532	+ 6.9
Exports:						
Quantity (thous. doz.)	225	215	+ 4.7	279	190	+46.8
Value (thous. \$)	\$2,787	\$2,696	+ 3.4	\$ 3,374	\$ 3,125	- 8.0
Headwear						
Imports:						
Quantity (thous. doz.)	49,250	38,292	+28.6	52,554	39,611	+32.7
Value (thous. \$)	\$191,844	\$181,969	+ 5.4	\$235,354	\$193,997	+21.3
Exports:						
Quantity (thous. doz.)	779	979	-20.4	1,257	1,539	-18.3
Value (thous. \$)	\$ 12,673	\$ 13,760	- 7.9	7,118	\$20,759	-17.3

Source: U.S. International Trade Commission
U.S. Trade Shifts in Selected Commodity Areas:
Third Quarter 1986 USITC Publication 1945

THE POTENTIAL MARKET

Population Projections - 1987, 1994, 2005 (Middle Series*)

	<u>Number (Thousands)</u>			<u>% Change</u>	<u>Percent Distribution</u>		
	<u>1987</u>	<u>1994</u>	<u>2005</u>	<u>2005/1987</u>	<u>1987</u>	<u>1994</u>	<u>2005</u>
MALE							
Total, all ages	118,309	125,464	134,297	+ 13.5%	100.0%	100.0%	100.0%
Under 5 years	9,656	9,635	8,931	- 7.5	8.2	7.7	6.6
5 to 9 years	8,954	9,866	9,094	+ 1.6	7.6	7.9	6.8
10 to 15 years	9,998	11,245	11,698	+ 17.0	8.5	9.0	8.7
16 years & over	89,701	94,718	104,574	+ 16.6	75.8	75.4	77.9
16 - 19	7,546	6,712	8,058	+ 6.8	6.4	5.3	6.0
20 - 34	31,767	29,725	27,416	- 13.7	26.9	23.7	20.4
35 - 54	28,239	35,187	40,769	+ 44.4	23.9	28.0	30.4
55 - 64	10,178	9,793	14,060	+ 38.1	8.6	7.8	10.5
65 & over	11,971	13,300	14,271	+ 19.2	10.1	10.6	10.6
Median age (years)	30.8	33.0	36.0	+ 16.9	--	--	--

(continued)

THE POTENTIAL MARKET

Population Projections - 1987, 1994, 2005 (Middle Series*) (continued)

	Number (Thousands)			% Change	Percent Distribution		
	1987	1994	2005	2005/1987	1987	1994	2005
FEMALE							
Total, all ages	124,774	132,251	141,381	+ 13.3%	100.0%	100.0%	100.0%
Under 5 years	9,209	9,188	8,518	- 7.5	7.4	6.9	6.0
5 to 9 years	8,557	9,415	8,678	+ 1.4	6.9	7.1	6.1
10 to 15 years	9,554	10,745	11,167	+ 16.9	7.7	8.1	7.9
16 years & over	97,454	102,903	113,018	+ 16.0	78.1	77.9	80.0
16 - 19	7,233	6,426	7,707	+ 6.6	5.8	4.9	5.5
20 - 34	31,323	29,068	26,706	- 14.7	25.1	22.0	18.9
35 - 54	29,352	36,202	41,249	+ 40.5	23.5	27.4	29.2
55 - 64	11,591	11,002	15,399	+ 32.9	9.3	8.3	10.9
65 & over	17,955	20,205	21,957	+ 22.3	14.4	15.3	15.5
Median age (years)	33.3	35.6	39.2	+ 17.7	--	--	--
TOTAL, MALE & FEMALE							
Total, all ages	243,084	257,714	275,677	+ 13.4	100.0%	100.0%	100.0%
Under 5 years	18,866	18,823	17,449	- 7.5	7.7	7.3	6.3
5 to 9 years	17,511	19,281	17,772	+ 1.5	7.2	7.5	6.5
10 to 15 years	19,552	21,991	22,865	+ 16.9	8.0	8.5	8.3
16 years & over	187,155	197,619	217,591	+ 16.3	77.0	76.7	78.9
16 - 19	14,779	13,138	15,765	+ 6.7	6.1	5.1	5.7
20 - 34	63,091	58,792	54,122	- 14.2	26.0	22.8	19.6
35 - 54	57,592	71,389	82,018	+ 42.4	23.7	27.7	29.7
55 - 64	21,769	20,793	29,459	+ 35.3	9.0	8.1	10.7
65 & over	29,926	33,507	36,227	+ 21.1	12.3	13.0	13.1
Median age (years)	32.0	34.3	37.6	+ 17.5	--	--	--

* Middle of a series of three different projections, each based on alternative assumptions for future fertility, mortality, and net immigration levels. Includes Armed Forces overseas.

Note: Columns may not add to totals shown due to rounding

Source: U.S. Bureau of the Census, Current Population Reports
Series P-25, No. 952 (May 1984)

Women now hold 44% of all jobs in the U.S.; over 50 million women are in the civilian work force. The great influx of women into the labor force in the past 15 years, and, their progression to better paying jobs has stimulated demand for accessories.

THE POTENTIAL MARKET

Bridal Market

The bridal market is an important selling opportunity for jewelry and other bridal accessories. The number of marriages in 1985 (2,425,000) represented the fourth largest annual total in U.S. history. While the marriage rate has been falling, the bridal market provides a significant portion of jewelry sales.

Number of Marriages By Region, 1985

	<u>Number</u>	<u>% of U.S. Total</u>
U.S. Total	2,436,796*	100.0%
South Atlantic	443,595	18.2
East North Central	365,658	15.0
West South Central	319,824	13.1
Middle Atlantic	315,466	12.9
Pacific	314,542	12.9
Mountain	233,165	9.6
East South Central	172,440	7.1
West North Central	157,251	6.5
New England	114,855	4.7

Note: Data are by state of occurrence rather than by state of residence

* Data includes marriages reported or marriage licenses issued

Though June continues to be the most popular month for marriages, there is more balance throughout the rest of the year than there once was, providing year-round opportunities for retailers.

Number of Marriages By Month, 1985

	<u>Number</u>	<u>% of U.S. Total</u>
U.S. total	2,425,000	100.0%
January	129,000	5.3
February	146,000	6.0
March	157,000	6.5
April	174,000	7.2
May	238,000	9.8
June	280,000	11.5
July	235,000	9.7
August	255,000	10.5
September	235,000	9.7
October	206,000	8.5
November	182,000	7.5
December	187,000	7.7

Source: U.S. Department of Health & Human Services,
Monthly Vital Statistics Report, September 1986

THE POTENTIAL MARKET

Bridal Market

Aided by the trend towards more elegant, traditional formal weddings, sales of jewelry to couples about to be married now account for about 20% of the total jewelry market.

Men and women are also delaying marriage to a large extent until they establish careers. This has resulted in more discretionary income and established tastes when they finally do marry.

Estimated Bridal Market Share of Jewelry Sales and of Luggage Sales, 1985

	Total Bridal Market Sales (Mil. \$)	Total National Retail Sales (Mil. \$)	Bridal Market Share of National Sales
<u>Jewelry & watches</u>			
Diamond engagement rings	\$1,596.4	\$1,596.4	100.0%
Other diamond rings	174.4	2,500.0	7.0
Wedding rings/bands	935.9	935.9	100.0
Wristwatches	110.5	3,348.5	3.3
Gold jewelry, other jewelry or gems	249.5	4,183.4	6.0
Costume jewelry	20.1	4,000.0	0.5
Other jewelry	23.3	--	--
Total	3,110.1	16,564.2	18.8%
<u>Luggage</u>	56.7	600.0	9.5

Source: Modern Bride Magazine:

A Summary of Bridal Market Retail Expenditures 1985

NATIONAL ADVERTISING

According to the 1986 edition of Ads Forecasts (Advertising Age, September 15, 1986), total advertising dollars for the precious metal jewelry industry represented 1.8% of industry sales in 1985; for watches and clocks the ratio was 1.6%. The study, an annual report on advertising expenditures, is produced by Pansophic Systems (formerly Schoenfeld & Associates). Ad dollars represented 6.4% of total gross margins (net sales less cost of goods sold) in precious metal jewelry and 5.4% in watches and clocks. Ad expenditures skyrocketed in the precious metal jewelry industry (+ 26.3%); in watches and clocks, spending increased only 0.3%. Included are media ads, collateral literature, and production costs.

AT THE RETAIL LEVEL

CONSUMER EXPENDITURES

The only accessory classification for which consumer spending data is reported by the Department of Commerce is jewelry and watches. After increasing 11.1% between 1983 and 1984, personal consumption expenditures for jewelry and watches rose 6.5% in 1985 reaching \$20.1 billion. These expenditures cover the value at retail of goods reaching the consumer through all channels, including direct sales by manufacturers or wholesalers, etc.

Total U.S. personal consumption expenditures for all goods and services rose 7.1% in 1985 to \$2,600.5 billion from \$2,428.2 billion in 1984, and reached an estimated \$2.7 trillion in 1986.

Personal Consumption Expenditures For Jewelry & Watches.

1983 - 1985

(Billions of dollars)

	<u>1985</u>	<u>1984</u>	<u>1983</u>	<u>Percent Change</u>	
				<u>1985/84</u>	<u>1984/83</u>
Jewelry & watches	\$21.3	\$20.0	\$18.0	+ 6.5%	+ 11.1%

Source: U.S. Department of Commerce,
Office of Business Economics

RETAIL SALES

Due to the various categories which constitute the accessory market, and the lack of a standard classification system, there is very little information on the retail market for accessories as a whole.

This Fact File concentrates on specific types of fashion accessories. Merchandise which might also be considered as part of the accessories classification by retailers are covered in the Hosiery/Leqwear and Men's Furnishings Fact Files.

It is estimated that total retail sales of accessories, not including jewelry is currently about \$13 billion. This would put spending for accessories at about 10% of total apparel spending, a commonly accepted assumption.

RETAIL SALES BY PRODUCT

Official information on merchandise line sales in specific retail outlet types is limited to that made available every five years by the U.S. Bureau of the Census, based on a complete survey of all retail outlets with one or more paid employees. The most recent census, covering operations in 1982, was released by the Bureau in early 1986. Results of the next census, covering operations in 1987, will not be available until sometime after 1989.

RETAIL SALES BY PRODUCT

In order to classify store types, information developed in published reports is more detailed for some outlet types than others. Sales of accessories were covered for major outlet types noted below. However, data is lacking for catalog sellers and miscellaneous outlets carrying accessories.

Sales of men's accessories (hats, gloves, belts, wallets, umbrellas etc.) reported in leading outlet types amounted to \$1.7 billion in 1982. Department stores accounted for \$1.1 billion, or 61.9% of this total.

It should be noted that due to a change in the treatment of leased departments comparable figures with 1977 are not available. This change affects the counts of stores in some categories, particularly jewelry, more than others. In 1982, the census bureau counted leased departments as separate retail establishments in their specific type of business. In earlier years, data on leased departments was combined with data on the lessor store.

Reported Sales of Men's Accessories by Store Type, 1982 (In retail establishments with payroll)

	<u>Establishments**</u>		<u>Sales by Outlet Type</u>	
	<u>Number</u>	<u>Percent</u>	<u>Thous. \$</u>	<u>Percent</u>
Men's accessories (hats, gloves, belts, wallets, umbrellas, etc.) total	32,017	100.0%	\$1,711,653	100.0%
Department stores*	7,012	21.9	1,059,288	61.9
Men's wear stores	13,547	42.3	401,313	23.4
Family clothing stores	10,206	31.9	218,601	12.8
Women's ready-to-wear stores	965	3.0	23,731	1.4
Women's accessory, specialty stores and furriers	97	0.3	3,431	0.2
Children's & infants wear stores	190	0.6	5,289	0.3

* Includes traditional department stores, discount stores and the department store outlets of national chains, such as Sears, Penney and Ward. Leased departments are not included, but are counted in the Census as separate specialty store operations.

**Each business location is separately counted as a store unit, including each unit in a multiunit organization.

NOTE: Leased departments are not included in sales data of the stores in which they are operated, but are counted as separate specialty stores.

Source: U.S. Bureau of the Census,
1982 Census of Retail Trade,
Merchandise Line Sales

RETAIL SALES BY PRODUCT

In 1982, department stores were the dominant retailers of women's accessories and millinery accounting for 50% of accessories sales and 47% of millinery. Women's ready to wear stores were the second largest retailers of accessories in 1982 according to the Census Bureau.

Reported Sales of Women's Accessories by Store Type, 1982 (In retail establishments with payroll)

	<u>Establishments**</u>		<u>Sales by Outlet Type</u>	
	<u>Number</u>	<u>Percent</u>	<u>Thous. \$</u>	<u>Percent</u>
Women's accessories (handbags, neckwear, handkerchiefs, gloves, belts, excluding jewelry), total	48,663	100.0%	\$3,113,880	100.0%
Department stores*	6,383	13.1	1,557,397	50.0
Women's ready-to-wear stores	28,292	58.1	1,000,231	32.1
Family clothing stores	10,728	22.0	325,227	10.4
Women's accessory, specialty stores and furriers	2,030	4.2	208,378	6.7
Children's & infants wear stores	476	1.0	9,736	0.3
Men's wear stores	754	1.5	12,911	
Women's hats & trimmings, etc.	8,723	100.0	155,904	100.0
Department stores*	2,882	33.0	72,700	46.6
Women's ready-to-wear stores	2,474	28.4	25,680	16.5
Millinery stores	811	9.3	40,142	25.7
Family clothing stores	2,556	29.3	17,382	11.1

For footnotes, see table covering men's accessory sales

Source: U.S. Bureau of the Census,
1982 Census of Retail Trade
Merchandise Line Sales

Men's & women's jewelry sales in 1982 in major store types were reported at \$12.1 billion according to the census of retail trade. In this report, jewelry sales include both precious metal and costume jewelry as well as watches. As previously noted, not all store types were required to break out sales in detail, therefore, sales of jewelry through direct sellers and through store types not listed are not included in the table below.

As previously noted, in 1982 leased departments were counted as separate specialty stores in their proper classification. In a supplemental report for 1982 (Miscellaneous Subjects RC82-1-4) the census bureau reported 2,101 leased jewelry departments operated in department stores were reclassified in the 1982 census as jewelry stores. These departments had a combined total sales volume of \$321.5 million -- 4.4% of the \$7.3 billion in total reported sales of jewelry stores in business anytime in 1982.

RETAIL SALES BY PRODUCT

Reported Sales of Jewelry by Store Type, 1982 (In retail establishments with payroll)

	<u>Establishments**</u>		<u>Sales by Outlet Type</u>	
	<u>Number</u>	<u>Percent</u>	<u>Thous. \$</u>	<u>Percent</u>
Jewelry, total	95,026	100.0%	\$12,133,233	100.0%
Department stores*	8,341	8.8	2,146,428	17.7
Variety stores	7,776	8.2	115,630	1.0
Other General Mdse. stores	5,265	5.5	1,083,810	8.9
Jewelry stores	22,784	24.0	7,288,205	60.0
Non-store retailers	3,475	3.7	422,424	3.5
All other reported store types	47,385	49.9	1,076,737	8.9

For footnotes, see table on men's accessories sales

Source: U.S. Bureau of the Census,
1982 Census of Retail Trade
Merchandise Line Sales

Luggage and leather goods stores and department stores were the two largest retailers of luggage in 1982 accounting for 42.7% and 31.6% of sales respectively.

Reported Sales of Luggage & Small Leather Goods, 1982 (In retail establishments with payroll)

	<u>Establishments</u>		<u>Sales by Outlet Type</u>	
	<u>Number</u>	<u>Percent</u>	<u>Thous. \$</u>	<u>Percent</u>
Luggage & small leather goods, total	18,250	100.0%	\$ 1,190,749	100.0%
Department stores*	4,438	24.0	376,351	31.6
Variety stores	3,942	21.3	44,872	3.8
Other General Mdse. stores	4,282	23.1	151,581	12.7
Luggage & leather goods stores	1,883	10.2	509,248	42.7
Gift, novelty & souvenir shops	1,224	6.6	26,973	2.3
Mail order houses	2,703	14.6	78,744	6.6
Direct selling establishments	28	0.2	2,980	0.3

* and **, see footnotes on table of men's accessories sales page 32

Source: U.S. Bureau of the Census,
1982 Census of Retail Trade
Merchandise Line Sales

RETAIL SALES BY STORE TYPE

Department Stores

Data on merchandise line sales in department stores has been made available through published reports covering the complete 1982 census of retail trade. Included in totals in addition to traditional department stores, are discount department stores and department store operations of national chains such as Sears and Montgomery Ward.

With the exception of jewelry and luggage, department stores were the dominant retailer of every measured category of accessories.

Sales of Specified Accessories in Department Stores, 1982 (Includes only establishments with payroll)

	<u>Sales of specified merchandise line</u>		<u>Percent of total sales of:</u>		
	<u>Establishments</u>	<u>Amount</u>	<u>Estabs. selling</u>	<u>All</u>	
	<u>Number</u>	<u>Percent</u>	<u>(thous. \$)</u>	<u>the line</u>	<u>Estabs.</u>
Department stores, total	9,981	100.0%	99,170,163	--	100.0
Men's accessories	7,012	70.3	1,059,288	1.3	1.1
Women's hats, wigs & hairpieces	2,882	28.9	72,700	0.2	0.1
Women's accessories	6,383	64.0	1,557,397	2.0	1.6
Diamonds, precious gems & pearls	3,925	39.3	565,494	1.0	0.6
Watches, rings & other jewelry	8,219	82.3	1,580,934	1.8	1.6
Luggage & leather goods	4,438	44.5	376,351	0.6	0.4

NOTE: Each store location is separately reported as an "establishment"

Source: U.S. Bureau of the Census,
1982 Census of Retail Trade

Two of the eight accessory categories measured by the National Retail Merchants Association registered double-digit increases in sales in department stores with sales over \$1 million in 1985. Costume jewelry registered the largest increase with a median of +12.6%.

Fine jewelry marked the highest sales per square foot at \$292 followed by women's gloves \$280.

RETAIL SALES BY STORE TYPE

Department Stores

Merchandising & Operating Results of Specified Accessories In Department Stores With Total Sales Over \$1 Million, 1985

	Women's Accessories				
	Fine Jewelry Watches	Costume Jewelry	Gloves	Handbags	Small Leather Goods
	(63)#	(67)#	(54)#	(84)#	(42)#
Net sales, % change from last year	+ 6.8%	+12.6%	+ 9.7%	+ 3.6%	+ 9.5%
Sales, % to total store sales	2.1	2.1	0.6	1.6	0.3
\$ sales per square foot of selling space (main or largest selling unit)	\$291.6	\$279.1	\$279.8	\$154.4	\$185.3
Cumulative markon, %	47.9%	54.6%	53.7%	53.7%	52.6%
Gross margin, % of sales (incl. cash discounts)	40.3	49.4	47.9	46.6	46.8
Advertising, % of net sales	3.2	2.6	2.2	2.8	2.5
Selling salaries, % of net sales	7.1	8.6	7.0	7.5	7.0
Number of stock turns (times)	3.1	3.0	3.7	3.2	3.0

	Women's Accessories			
	Millinery	Neckwear, Rainwear, Belts	Men's & Boys' Accessories	Luggage
	(32)#	(75)#	(32)#	(72)#
Net sales, % change from last year	- 12.7%	+ 1.3%	+ 10.0%	+ 5.1%
Sales, % to total store sales	0.2	1.0	1.4	0.6
\$ sales per square foot of selling space (main or largest selling unit)	\$ 92.1	\$175.6	\$221.1	\$107.4
Cumulative markon, %	53.1%	56.1%	54.8%	49.8%
Gross margin, % of sales (incl. cash discounts)	45.8	49.4	50.7	42.5
Advertising, % of net sales	3.2	3.0	2.6	4.5
Selling salaries, % of net sales	6.9	7.7	6.1	8.7
Number of stock turns (times)	3.8	2.9	3.1	1.8

Number in parenthesis refers to the number of reporting firms in each category

Source: National Retail Merchants Association,
Merchandising & Operating Results of 1986

RETAIL SALES BY STORE TYPE

Specialty Stores

According to the 1982 Census of Retail Trade, sales of covered accessories in men's wear specialty stores with payroll amounted to \$420 million representing 5.5% of total store sales. In women's specialty stores, sales of covered items amounted to \$1.2 billion representing 58% of total store sales.

Sales of Specified Accessories in Specialty Stores, 1982 (Includes only establishments with payroll)

	<u>Sales of specified merchandise line</u>				
	<u>Percent of total sales of:</u>				
	<u>Establishments</u>		<u>Amount</u>	<u>Estabs. selling</u>	
	<u>Number</u>	<u>Percent</u>	<u>(thous. \$)</u>	<u>the line</u>	<u>Estabs.</u>
MEN'S WEAR STORES					
Reported total	17,480	100.0%	\$7,734,522	--	100.0%
Men's accessories	13,547	77.5	401,313	6.6	5.2
Women's accessories	754	4.3	12,911	1.3	0.2
Jewelry	509	2.9	6,255	1.4	0.1
WOMEN'S WEAR STORES					
Reported total	44,163	100.0	20,248,922	--	100.0
Men's accessories	965	2.2	23,731	1.4	0.1
Women's accessories	28,292	64.0	1,000,231	6.8	4.9
Hats, wigs & hairpieces	2,474	5.6	25,680	2.0	0.1
Jewelry	6,995	15.8	133,061	2.9	0.7
FAMILY CLOTHING STORES					
Reported total	17,859	100.0	13,451,003	--	100.0
Men's accessories	10,206	58.0	218,601	2.7	1.6
Women's accessories	10,728	61.0	325,227	3.1	2.4
Jewelry	4,708	26.8	103,526	1.8	0.8
Hats, wigs & hairpieces	2,556	14.5	17,382	0.6	0.1

NOTE: Each store location is separately reported as an establishment

Source: U.S. Bureau of the Census,
1982 Census of Retail Trade

RETAIL SALES BY STORE TYPE

Specialty Stores

Merchandising & Operating Results of Specified Accessories In Women's Specialty Stores With Total Sales Over \$1 Million, 1985

	Total Adult Female Accessories (16)#	Jewelry (10)#	Gloves (5)#	Handbags (9)#	Neckwear, Rainwear Belts & Handkerchiefs (9)#
Net sales, % change from last year	+ 9.2%	+ 4.3%	- 4.2%	- 0.1%	- 3.5%
Sales, % to total store sales	10.4	2.7	1.4	1.9	5.1
\$ sales per square foot of selling space (main or largest selling unit)	\$178.6	\$306.2	na	\$272.0	\$181.2
Cumulative markon, %	51.8%	51.8%	na	52.6%	53.8%
Gross margin, % of sales (incl. cash discounts)	47.1	47.8	na	46.1	47.7
Advertising, % of net sales	na	na	na	na	na
Selling salaries, % of net sales	9.4	na	na	na	na
Number of stock turns (times)	2.7	2.6	4.1	3.1	2.7

Number in parenthesis refers to the number of reporting firms in each category
na not available

Source: National Retail Merchants Association,
Merchandising & Operating Results of 1986

Merchandising & Operating Results of Men's Accessories In Men's Wear Stores, 1985

	Total Store	Men's Accessories	Men's Belts
% change in sales from last year (59)*	0.2	8.3	0.5
% to total store sales (75)*	100.0	1.9	0.9
% to total sales in merchandise division**(25)*	--	11.2	5.1
% distribution of average inventory within merchandise division** (36)*	--	14.9	5.9
Number of stock turns (times) (36)*	2.0	1.6	1.7
Markdowns, % of sales (51)*	16.6	9.0	4.5

* Number in parentheses refers to the number of reporting firms in each category

**Merchandise division for accessories and belts is men's furnishings

Source: Menswear Retailers of America,
1985 Annual Business Survey

RETAIL ADVERTISING

Retail advertising for accessory items are highest in May, November and December according to data compiled by the Advertising Checking Bureau. This reflects the gift nature of the accessory category, with advertising peaking during the wedding and Christmas season.

Accessory Ad Linage in Newspapers, 1984 (Percent of annual total by months)

Month	Fine Jewelry*	Handbags	Men's Sportswear and Accessories
January	4.2%	4.0%	3.7%
February	6.9	6.4	4.7
March	6.0	10.2	6.7
April	7.7	8.8	6.4
May	11.5	11.2	7.0
June	7.4	4.9	15.7
July	4.0	5.6	4.7
August	6.3	8.3	8.5
September	6.3	9.4	6.1
October	8.0	9.0	7.2
November	13.4	9.0	11.2
December	18.3	13.2	18.1

* including watches

Source: Newspaper Advertising Bureau, Inc.
1987 Newspaper Advertising Planbook

CONSUMER PRICE TRENDS

The Bureau of Labor Statistics is currently revising the Consumer Price Index, and when issued, the revised series will include for the first time measurements on apparel accessories such as scarfs, handbags, handkerchiefs, gloves, wallets, hats, belts and umbrellas. Release date is scheduled for the end of February 1987.

CONSUMER BUYING HABITS

In May 1985, 1,234 teenage girls, members of Seventeen Magazine's consumer panel, which represents a cross-section of teens nationwide, participated in the magazine's Spring Apparel Study on the apparel and accessory items they purchased during the preceeding year. This information was then projected to the entire female teenage market to guesstimates of the total amount spent on accessories, the number purchased and the number purchasing them.

The survey revealed that in 1985, teenage girls spent a total of \$15.5 billion for their wardrobes of which accessories accounted for a total of \$1.8 billion.

CONSUMER BUYING HABITS

Purchases of Specified Accessories By Teenage Girls

	<u>Number Purchasing (000)</u>	<u>Number Purchased (000)</u>	<u>Total Expenditures (000)</u>
<u>Jewelry</u>			
Necklaces	11,775	22,140	\$226,492
Pins	6,445	11,666	91,461
Earrings	6,432	18,205	185,873
Bracelets	4,330	12,686	113,793
Watches	2,392	2,751	179,998
<u>Belts</u>			
Leather	6,515	13,030	211,477
Suede	99	110	1,686
Other	7,482	14,740	104,801
<u>Scarves</u>			
Cotton	1,976	4,011	28,919
Silk	1,063	1,575	18,491
Woven	488	688	5,793
Knit	264	399	2,957
<u>Gloves</u>			
Knit	2,252	2,726	27,642
Leather	325	414	7,440
<u>Hats</u>			
Knit	1,087	1,750	20,423
Felt	399	399	4,752
Handbags	7,788	15,654	270,814
Sunglasses	5,757	8,981	174,591
Wallets/billfolds/key cases	2,853	4,536	57,199
Umbrellas	1,414	2,024	23,519
Total girls buying accessories	12,088	138,485	1,758,121

Source: Seventeen Magazine:
1985 Spring Apparel Study

SCHEDULE OF ADDITIONAL FACT FILES

THE CHILDREN'S MARKET: INFANTS', TODDLERS', GIRLS' AND BOYS' (APPAREL, PLAYTHINGS & RELATED PRODUCTS): Includes a detailed statistical profile of the U.S. industry, i.e. number and size of manufacturers, production and shipments, employment trends and more. Also details imports and exports by product. At the retail level, this Fact File covers sales estimates, information on leading outlet types and on consumer price trends. The size of the growing potential market in terms of population counts and birth projections is outlined as well as consumer preferences and buying patterns in the consumer market.

CONSUMER MARKET DEVELOPMENTS: An overview of all facets of the consumer market. Within the framework of population and income groups, the markets for children's products, for young adults and for the mature are defined in terms of numbers and buying power. Trends and projections are included as well as an analysis of developments that are shaping the U.S. consumer market -- living arrangements, households, working women, marriage and birth rates, etc. Trends in personal consumption expenditures are also covered.

DEPARTMENT STORE AND SPECIALTY STORE SALES (1987 Edition): Updates information in the 1986 Edition on department and apparel specialty store sales (not including discount operation) for stores (buying headquarter locations) listed by state within the four major geographical regions of the U.S. Information on the number of stores in operation is included, as well as on plans to open stores, if available. Available data on sales of branch stores is included. Additional features include: An alphabetical listing of major national chains in the general merchandise and apparel store classifications with the latest available sales figures; a listing and sales figures for traditional department stores which have sales volumes published, or estimated, of \$50 million or more in 1986; a list of conglomerates operating traditional department and apparel stores, including the names and locations of these stores.

DRESSES & CAREER APPAREL (WOMEN'S, MISSES' AND JUNIORS'): At the manufacturer level, provides a statistical profile of the dress industry and the products made within this industry, including dresses, career apparel, pants dresses, ensembles, etc. Includes number and size of manufacturers, production and value of shipments, industry location and trends in employment levels. Analyzed is the growing impact of imports on total growth in the size of the consumer market, based on population counts, working women by type of occupation, and more.

FASHION ACCESSORIES (MEN'S AND WOMEN'S): Covers developments in the U.S. industry, in imports and in retail sales for fashion accessories, including small leather goods, handbags, millinery, scarves, gloves, belts, jewelry, sunglasses, watches, etc. to the extent that statistical information is available. Included are production and shipments by U.S. manufacturers plus the quantity and value of imports in recent periods. Retail sales and operating results in department and specialty stores are reported, as well as summaries of available studies on consumer buying preferences.

FOOTWEAR (MEN'S, WOMEN'S, BOYS', GIRLS') (1987 Edition): Updates the 1986 edition with figures on U.S. manufacturers production and shipments by type of footwear. Also detailed statistics on imports and their impact on total U.S. market supply. Analyses industry trends and performance of major resources and retailers. Spotlights developments in the athletic footwear industry and consumer market. At the retail level, information is included on sales trends and merchandising results for shoe stores and for footwear departments in department stores; as well as consumer purchase patterns.

HOME TEXTILES & RELATED PRODUCTS: Includes the latest statistics on the U.S. industry, including manufacturers wide variety of products -- bed linens, towels, blankets, comforters, slip covers, pillows, curtains/draperies and hardware, shades, and blinds. Covers the changing competitive nature of the industry through acquisitions of major producers and through consolidation of buying power at the retail level. Includes information on production, shipments and retail sales.

HOSIERY/LEGWEAR/BODYWEAR (MEN'S, WOMEN'S, BOYS', GIRLS'): A comprehensive report on mills making hosiery and related products, including production and shipments, fiber consumption, producer price trends. The growing trend in imports is also covered. At the consumer level, the size of the potential market is measured in terms of population counts and projections and estimates are included on retail sales of major products by type of retail outlet.

HOUSEHOLD APPLIANCES, ELECTRIC HOUSEWARES, HOME ENTERTAINMENT PRODUCTS: Covers a broad range of products included in these three classifications at the manufacturer and at the retail level. Provides a statistical profile of the U.S. industry in terms of number of manufacturers, production, shipments, exports. Imports are detailed, as well as information on export markets. Covers retail sales and merchandising results and information on appliance/radio/TV stores.

HOUSEHOLD FURNITURE AND BEDDING: Provides an overall view of market trends in the U.S. For the U.S. industry, the report covers statistics on manufacturers, on production and shipments in terms of quantity and value by type of furniture. Trends in the concentration levels in the U.S. industry are reported, as well as in employment and earnings in the industry. Also included is information on the industry in leading states. Consumer market information includes data on characteristics of new housing units (number of rooms); also trends in consumer expenditures for furniture, sales by type of outlet. Details on furniture stores, including the 25 leaders, are also covered.

MEN'S FURNISHINGS AND WORK/CAREER APPAREL: Provides a summary of major market trends in men's shirts, (dress and sport), underwear, nightwear, robes, hosiery and headwear, as well as the growing market for work/career apparel. These products are covered at the U.S. industry level, including production and shipments, employment trends and manufacturer concentration levels. Imports are detailed by product in terms of quantity and value, as well as exports. Data at the retail level includes sales and operating results in men's furnishings in department and specialty stores. The potential market for work/career apparel is defined in data on trends in employment of men by occupation.

MEN'S SPORTSWEAR, CASUALWEAR, OUTERWEAR: The wide variety of men's wear items included are covered from available statistical information on the industry at the manufacturer, retailer and consumer levels. Included is information on production and shipments by domestic producers, imports and exports. The retail market is covered in sales estimates and data on major outlet types, as well as studies of consumer buying practices.

MEN'S TAILORED CLOTHING/SEPARATES; RAINWEAR: Covers information on the fast-growing category, tailored (but unstructured) separates for men, as well as suits, jackets and coats made in the men's clothing industry, plus rainwear. U.S. industry data includes trends in the number of manufacturers, production and value of shipments, location of the industry and employment trends. Foreign trade is examined, including export and import developments. The U.S. consumer market is defined in terms of number in the population by age and by population groups. A look is taken at the Young Men's market and merchandising practices of stores to reach this market. Departmental merchandising and operating results in department stores and in men's wear stores are covered.

RETAILING/MERCHANDISING TRENDS: Covers the dramatic changes underway in the operations, of the large retailing organizations, such as the decentralization of operations beyond traditional geographic boundaries and diversification of operations to include store types differing from the primary business. Also covered are developments in brand name merchandising, store labels, designer labels, licensing and off-price retailing.

SALES OF MAJOR CLASSIFICATIONS OF CONSUMER GOODS BY RETAIL OUTLET TYPE:

Covers sales of grocery products, drugs, apparel, footwear, sporting goods, home furnishings and other product lines by major type of retail outlet. The sales are detailed, and trends analyzed on market shares held by major outlet types based on the latest complete Census of Retail Trade recently issued by the U.S. Census Bureau.

THE SPORTS/FITNESS/LEISURE MARKETS (A Fact File Special Edition): Covers details on U.S. manufacturers in the sporting goods/athletic goods industry, concentrating on products sold through retail outlets such as sporting goods stores and general merchandise stores, as well as functional athletic footwear and apparel. Includes quantity and value of shipments of specific products; concentration of shipments among leading manufacturers, and trends in producer prices. Imports of specified sporting and athletic goods are covered. At the consumer level, data includes statistics on sports participation levels and purchases of specific sports equipment. Also buying habits in relation to activewear and sports equipment.

SPORTSWEAR, CASUAL WEAR, SEPARATES AND JEANS (WOMEN'S, MISSES' AND JUNIORS'):

A statistical view of this segment of the women's wear industry is provided, including data on production and value of shipments, imports of major categories, sales by type of outlet, price points, seasonal patterns, and consumer buying habits.

A STATISTICAL ANALYSIS OF RETAILING (A Fact File Special Edition): A detailed statistical summary of retail trade in the U.S. based on findings in the 1982 Census of Retail Trade issued in 1985 by the U.S. Census Bureau. Percentage distributions have been calculated for firms and outlet types, including single and multi-unit operations, sales concentration and geographical distribution, with comparisons with 1977 census findings where possible.

TABLETOP & GIFTWARES: Statistics included for these industries include those on both the manufacturing and retailing levels. There's coverage of production and shipments; foreign trade; retail sales; plus data on the consumer market including buying habits and expenditures.

THE TEXTILE/APPAREL INDUSTRIES: Provides an overview of the U.S. textile and apparel industries, their current problems and programs to improve their competitive position in the U.S. market and abroad. Covers a statistical profile of each industry in terms of number of manufacturers, concentration levels, production and shipments, including exports. Trends in imports in terms of quantity and value are detailed. Also included is information on plant and equipment expenditures and on mill machinery in place in U.S. mills.

TOILETRIES, COSMETICS, FRAGRANCES AND BEAUTY AIDS: A detailed view of the U.S. industry, leading manufacturers, sales of products for both men and women, trends in industry employment and earnings, advertising expenditures, foreign trade. Consumer expenditures by product are detailed, as well as retail sales by outlet type, and consumer buying patterns and usage in regard to specific products.

WOMEN'S COATS, SUITS, RAINWEAR, AND FURS: Data from the domestic industry includes the number of manufacturers, industry concentration levels, trends in employment and earnings, production and value of shipments, including exports. Import trends and impact on U.S. market supply are analyzed. At the retail level, information includes consumer price trends, the size of the potential market and outlook for growth in terms of population by age group and employment trends among women. Also covers sales estimates and operating results in department and specialty store.

WOMEN'S INNER FASHIONS: NIGHTWEAR, DAYWEAR AND LOUNGEWEAR: An analysis of statistical information available on the industry and market, from manufacturer through to consumer. Includes the latest available data on U.S. production, shipments and exports; and details on imports. Retail sales and operating results in department and specialty stores are covered, as well as trends in producer and consumer prices. Developments in the size of the consumer market and trends in the market are summarized.

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